

**SALDANHA BAY MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS**  
**for the year ended**  
**30 June 2006**

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 45, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 19 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



**F.W. Daniels**  
**(Acting) Municipal Manager**

**31 Augustus 2006**

**Date**

## **INDEX**

## **Page**

<b>Statement of Financial Position</b>	<b>1</b>
<b>Statement of Financial Performance</b>	<b>2</b>
<b>Statement of Change in Net Assets</b>	<b>3</b>
<b>Cash Flow Statement</b>	<b>4</b>
<b>Accounting Policies</b>	<b>5-17</b>
<b>Notes to the Annual Financial Statements</b>	<b>18-34</b>
<b>Appendix A: Schedule of External Loans</b>	<b>35</b>
<b>Appendix B: Analysis of Property, Plant and Equipment</b>	<b>36-37</b>
<b>Appendix C: Segmental Analysis of Property, Plant and Equipment</b>	<b>38</b>
<b>Appendix D: Segmental Statement of Financial Performance</b>	<b>39</b>
<b>Appendix E(1): Actual versus Budget (Revenue and Expenditure)</b>	<b>40-41</b>
<b>Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment)</b>	<b>42</b>
<b>Appendix F: Disclosures of Grants and subsidies In Terms of the Municipal Finance Management Act</b>	<b>43</b>
<b>Appendix G: Leases as at year end</b>	<b>44</b>
<b>Appendix H: Statistical Information.</b>	<b>45</b>

**SALDANHA BAY MUNICIPALITY**  
**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2006**

	Note	2006 R	2005 R
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>		270,058,590	234,185,880
Housing Development Fund	1	42,001,232	36,452,420
Capital replacement reserve		83,650,945	45,937,131
Capitalisation reserve		35,869,272	45,030,095
Government grant reserve		35,831,716	20,809,140
Donations and public contribution reserves		1,545,554	1,604,688
Self-insurance reserve		2,364,193	2,503,501
COD reserve		-	-
Revaluation reserve		-	-
Accumulated Surplus/(Deficit)		68,795,678	81,848,905
<b>Non-current liabilities</b>		81,414,720	69,651,441
Long-term liabilities	2	75,914,720	69,651,441
Non-current provisions	3	5,500,000	-
<b>Current liabilities</b>		69,446,153	43,423,683
Consumer deposits	4	6,952,736	5,915,448
Provisions	5.1	6,451,166	3,435,163
Creditors	5	28,445,721	15,184,653
Unspent conditional grants and receipts	6	14,319,349	11,535,806
VAT	7	4,373,483	1,269,762
Short-term loans		-	-
Bank overdraft	14	-	-
Current portion of long-term liabilities	2	8,903,698	6,082,851
<b>Total Net Assets and Liabilities</b>		<u>420,919,463</u>	<u>347,261,004</u>
<b>ASSETS</b>			
<b>Non-current assets</b>		195,643,609	151,838,019
Property, plant and equipment	10	184,916,383	140,217,261
Investment property		-	-
Investments		-	-
Long-term receivables	8	10,727,226	11,620,758
<b>Current assets</b>		225,275,854	195,422,985
Inventory	9	2,372,870	2,293,237
Consumer debtors	11	19,290,426	46,222,229
Unpaid conditional grants	12	15,674,093	11,366,758
VAT	7	-	7,392,153
Current portion of long-term receivables	8	630,123	786,975
Call investment deposits	13	165,000,000	90,000,000
Bank balances and cash	14	22,308,342	37,361,633
<b>Total Assets</b>		<u>420,919,463</u>	<u>347,261,004</u>

**SALDANHA BAY MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 R	2005 R
<b>REVENUE</b>			
Property rates	15	58,544,816	50,830,588
Property rates - penalties imposed and collection charges		1,375,380	1,230,754
Service charges	16	157,373,581	141,920,101
Regional Services Levies - turnover		-	-
Regional Services Levies - remuneration		-	-
Rental of facilities and equipment		6,752,572	6,515,677
Interest earned - external investments		12,154,919	8,272,587
Interest earned - outstanding debtors		1,882,408	2,951,555
Dividends received		-	-
Fines		2,803,540	2,282,993
Licences and permits		1,095,598	1,126,672
Income for agency services		132,268	2,339,978
Government grants and subsidies	17	18,047,430	30,972,072
Other income	32	43,542,927	18,543,292
Public contributions and donations		-	-
Gains on disposal of property, plant and equipment		-	1,520,600
<b>Total Revenue</b>		<b>303,706,419</b>	<b>268,306,849</b>
<b>EXPENDITURE</b>			
Employee related costs	18	74,686,949	69,910,260
Remuneration of Councillors	19	2,486,306	2,334,881
Bad debts		-	6,411,000
Collection costs		-	-
Depreciation		13,923,372	19,694,611
Repairs and maintenance		11,658,701	10,617,522
Interest paid	20	9,473,473	10,090,406
Bulk purchases	21	67,923,352	54,862,129
Contracted services		-	-
Grants and subsidies paid	22	5,362,068	3,914,120
General expenses		33,559,253	26,808,594
Loss on disposal of property, plant and equipment		-	-
<b>Total Expenditure</b>		<b>219,073,475</b>	<b>204,643,522</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>84,631,944</b>	<b>63,663,327</b>
Share of surplus/(deficit) of associate accounted for under the equity method		-	-
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>84,631,944</b>	<b>63,663,327</b>
Refer to Appendix E(1) for the comparison with the approved budget.			

**SALDANHA BAY MUNICIPALITY**  
**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

	Pre-GAMAP Reserves and Funds	Housing Development Fund	Capital Development Reserve	Capitalisation Reserve	Provision for Good Reserve	Donations and Public Contributions Reserve	S&L Insurance Reserve	CRR Reserve	Rehabilitation Reserve	Reserve Rehabilitation of Landfill Sites	Provision for Retirement Benefits	Provision for Bad Debts	Provision for Staff Leave	Provision for Annual Bonuses	Provision for Long Service Benefits	Provision for Performance Bonuses	Appropriated Surplus/ Deficit	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
<b>2008</b>																		
Balance at 1 July 2004	175,515,357	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,825,814	180,341,171
Correction of error	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation of GAMAP (Note 22)	(175,515,357)	33,944,201	48,837,131	48,804,601	112,867,436	25,482,682	2,335,237	-	-	-	-	-	-	-	-	-	(122,482,674)	(79,521,315)
Offsetting of Sinking Depreciation	-	-	-	(4,827,603)	(108,563,858)	(21,318,787)	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of public contributions (Note 22.5.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance	-	33,944,201	48,837,131	48,877,386	4,499,577	3,163,914	2,335,237	-	-	-	-	-	-	-	-	-	36,687,133	(77,832,833)
Net surplus/(deficit) for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Provision for Bad Debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,218,388)	-
Transfer to CRR	-	-	25,218,388	-	-	-	-	-	-	-	-	-	-	-	-	-	25,218,388	-
Property, plant and equipment purchased	-	-	(25,218,388)	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,218,388)	-
Capital grants used to purchase PPE	-	-	-	-	20,141,508	59,134	-	-	-	-	-	-	-	-	-	-	(20,300,696)	-
Donated/contributed PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution for the year:	-	-	-	-	-	-	181,440	-	-	-	-	-	-	-	-	-	(181,440)	-
Insurance claims processed	-	-	-	-	-	-	(5,175)	-	-	-	-	-	-	-	-	-	5,175	-
Transfer to Housing Development Fund	-	2,538,218	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,538,218)	-
Asset disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Offsetting of depreciation	-	-	-	(247,264)	(5,735,842)	(587,350)	-	-	-	-	-	-	-	-	-	-	4,580,588	-
Balance at 30 June 2008	-	36,482,428	48,837,131	48,838,098	23,858,148	1,804,688	2,803,801	-	-	-	-	-	-	-	-	-	31,848,888	234,185,288
<b>2006</b>																		
Correction of error	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance	-	36,482,428	48,837,131	48,838,098	23,858,148	1,804,688	2,803,801	-	-	-	-	-	-	-	-	-	61,848,888	234,185,288
Net surplus/(deficit) for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of Provision for Bad Debts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48,287,153)	-
Transfer to CRR	-	-	88,287,153	-	-	-	-	-	-	-	-	-	-	-	-	-	88,287,153	-
Property, plant and equipment purchased	-	-	(88,287,153)	-	(328,771)	-	-	-	-	-	-	-	-	-	-	-	(88,615,924)	-
Capital grants used to purchase PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution to provision for reclamation of reef	-	-	-	-	-	-	-	-	-	800,000	-	-	-	-	-	-	(800,000)	-
Contribution to provision for Post Retirement Be	-	-	-	-	-	-	-	-	-	-	5,120,000	-	-	-	-	-	(5,120,000)	-
Contribution to provision for Annual Bonus	-	-	-	-	-	-	-	-	-	-	-	-	2,150,000	-	-	-	(2,150,000)	-
Contribution to provision for Long Service Bonus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	480,000	-	(480,000)	-
Contribution to provision for Performance Bonus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	288,837	(288,837)	-
Contribution to provision for bad debt	-	-	-	-	-	-	-	-	-	-	-	30,740,000	-	-	-	-	(30,740,000)	-
Contribution to provision for Staff leave	-	-	-	-	-	-	-	-	-	-	-	-	482,727	-	-	-	(482,727)	-
Donated/contributed PPE	-	-	-	-	16,221,852	557,887	-	-	-	-	-	-	-	-	-	-	(17,088,770)	-
Transfer to CR	-	-	-	(146,573)	-	-	-	-	-	-	-	-	-	-	-	-	146,573	-
Contribution to Insurance Reserve	-	-	-	-	-	-	(139,308)	-	-	-	-	-	-	-	-	-	139,308	-
Insurance claims processed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Housing Development Fund	-	5,548,812	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,548,812)	-
Asset disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Offsetting of depreciation	-	-	-	(8,014,480)	(673,535)	(887,031)	-	-	-	-	-	-	-	-	-	-	10,795,057	-
Balance at 30 June 2006	-	42,031,222	53,550,948	24,888,272	36,831,716.18	1,446,867.87	2,364,183	-	-	528,088	5,620,000	30,740,000	432,727	2,150,000	480,000	288,837	85,798,878	318,917,285

**SALDANHA BAY MUNICIPALITY**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2006 R	2005 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from ratepayers, government and other		-	-
Cash paid to suppliers and employees		-	-
Cash generated from/(utilised in) operations	23	104,872,812	83,743,203
Interest received		12,154,919	8,272,587
Interest paid		(9,473,473)	(10,090,406)
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>107,554,257</b>	<b>81,925,384</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(58,835,867)	(45,419,028)
Proceeds on disposal of property, plant and equipment		213,373	1,520,600
Increase in investment properties		-	-
(Increase)/decrease in non-current receivables		893,532	1,569,428
Increase in non-current investments		-	-
(Increase)/Decrease in call investment deposits		(75,000,000)	(20,000,000)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(132,728,962)</b>	<b>(62,329,003)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New loans raised/(repaid)		9,084,126	(2,443,722)
Increase in consumer deposits		1,037,288	745,560
Decrease/(increase) in short-term loans		-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>10,121,414</b>	<b>(1,698,162)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(15,053,291)</b>	<b>17,898,218</b>
Cash and cash equivalents at the beginning of the year		37,361,633	19,463,415
Cash and cash equivalents at the end of the year		22,308,342	37,361,633
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(15,053,291)</b>	<b>17,898,218</b>

## SALDANHA BAY MUNICIPALITY

### ACCOUNTING POLICY FOR THE YEAR ENDED 30 JUNE 2006

#### 1. BASIS OF PRESENTATION

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practises (GRAP) and the Standards of Generally Accepted Municipal Accounting Practises (GAMAP) prescribed by the Minister of Finance in terms of:

- \* General Notice 991 of 2005, issued in *Government Gazette* no. 28095 of 15 December 2005; and
- \* General Notice 992 of 2005, issued in *Government Gazette* no. 28095 of 7 December 2005;

The Standards comprise the following:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The effects of Changes in Foreign Exchange rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Assets

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practises (GAAP) including any interpretations of such Statements issued by the Accounting Practises Board.

#### 2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

#### 3. GOING CONCERN ASSUMPTION

These annual financial statements are prepared on the going concern basis.

#### 4. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of Section 15(5) and 16 of the Housing Act, (Act 107 of 1997), which came into operation on 1 April 1998, requires that the municipality maintain a separate housing operating account. Loans from National and Provincial Government used to finance housing developments undertaken by the Municipality were extinguished on 1 April 1998 and transferred to the Housing Development Fund.

The Housing Act also requires in terms of Section 14(4)(d)(ii)(aa) read with, *inter alia*, Section 16(2) that the net proceeds of any rental, sale of property or alienation, financed previously from government housing funds, be paid into a separate operating account and

be utilised by the Municipality for housing development subject to the approval of the Provincial MEC responsible for housing.

The following provisions are set for the creation and utilisation of the Housing Fund:

- The proceeds in this fund are utilised for housing developments in accordance with the National Housing Policy and also for housing development projects approved by the MEC.
- Any contributions to or from the fund are shown as transfers in the Statement of Changes in Net Assets.
- Interest earned on the investments backing up this fund is recorded as part of interest earned in the Statement of Financial Performance and is then transferred via the Statement of Changes in Net Assets to the Housing Development Fund.
- Any surplus on the Housing Statement of Financial Performance must be transferred to the Housing Development Fund.

## **5. RESERVES**

### **5.1 Capital Replacement Reserve (CRR)**

In order to finance the future provision of infrastructure and other items of property, plant and equipment from internal sources amounts are transferred out of the accumulated surplus/(deficit) into the Capital Replacement Reserve (CRR) in terms of a Council resolution. The cash in the designated CRR account can only be utilised to finance items of property, plant and equipment. The following provisions are set for the creation and utilisation of the CRR:

- The cash which backs up the CRR is invested until it is utilised. The cash may only be invested in accordance with the investment policy of the municipality.
- Interest earned on the CRR investment is recorded as part of total interest earned in the Statement of Financial Performance. The total interest earned on all the CRR investments of the municipality is transferred to the CRR.
- The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and may not be used for the maintenance of these items.
- The CRR is reduced and the accumulated surplus/(deficit) credited with corresponding amounts when the funds are utilised.
- If a gain or loss is made on the sale of assets the gain or loss on the sale of assets is reflected in the Statement of Financial Performance. The full proceeds on the sale of all PPE is transferred to the CRR.
- The amounts transferred to the CRR are based on the Municipality's need to finance future capital projects.
- The contribution to the CRR by the relevant votes will be based on the previous year's cost price of the fixed assets controlled by that votes. The Council has three strategic votes as defined by the Municipal Finance Management Act, 2003 (Act 56 of 2003).
- The Council determines annually to contribute between 8% and 12% of the previous year's own income to the CRR.
- The current year's contribution may only be utilised for financing of capital expenditure in the following year.

### **5.2 Capitalisation Reserve**



On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury.

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

### **5.3 Government Grant Reserve**

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from Government Grants.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

### **5.4 Public Contributions and Donations Reserve**

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Public Contributions and Donations Reserve equal to the Public Contributions and Donations Reserve recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Public Contributions and Donations Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from Public Contributions and Donations.

When an item of property, plant and equipment financed from Public Contributions is disposed, the balance in the Public Contributions and Donations Reserve relating to such item is transferred to the accumulated surplus/(deficit).

### **5.5 Self Insurance Reserve**

A Self Insurance Reserve has been established and, subject to external insurance where deemed necessary, covers claims that may occur. Premiums are charged to the respective services taking into account replacement value of the insured assets.

- Contributions to the fund by Business Units are transferred via the Statement of Changes in Net Assets to the reserve in line with amounts budgeted for in the operating budget. The contributions to the reserve are charged to the Business Units based on the previous year's insured value of the assets under their control.
- The Council determines annually to contribute between 0.1% and 0.5% of the previous year's own income to the Self Insurance Reserve..
- The total amount of insurance premiums paid to external insurers are regarded as expenses and must be shown as such in the Statement of Financial Performance. These premiums do not affect the Self Insurance Reserve.
- Claims received from external insurers are recognised as revenue in the Statement of Financial Performance.
- Claims received to meet repairs of damages on assets are reflected as income in the statement of financial performance.
- Repair and replacement costs not fully covered by external insurance are financed from the insurance reserve. The repair and replacement cost is regarded as an expense and is reflected in the Statement of financial performance. An amount equal to the expense is transferred from the Insurance Reserve to the Unappropriated Surplus via the Statement of changes in net assets.
- Amounts paid on behalf of employees in respect of medical costs for injuries sustained whilst on duty are regarded as expenses and are recorded in the Statement of Financial Performance when incurred. An amount equal to these expenses is transferred from the Insurance Reserve to the Unappropriated Surplus account via the Statement of Changes in Net Assets.

## **5.6 Revaluation Reserve**

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on current values, are credited or charged to the Statement of Financial Performance.

## **6. PROPERTY, PLANT AND EQUIPMENT (PPE)**

### **6.1 PPE is stated:**

- At cost less accumulated depreciation, or
- At fair value at date of acquisition less accumulated depreciation where assets have been acquired by grant or donation.

### **6.2 Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is**

expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

- 6.3 The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.
- 6.4 The Municipality has adopted a capitalisation threshold whereby all expenditure below the threshold is expensed when incurred. The threshold is currently R10 000 per item of PPE. Where the value of bulk purchases of PPE with values of less than R 10 000 per item exceeds R 30 000, these items are recognised as PPE in the Statement of Financial Position.

## 6.5 Depreciation and Impairment losses

- 6.5.1 Depreciation is calculated on cost, using the straight line method, over the estimated useful lives of the assets. The depreciation rates are based on the following estimated useful lives:

	<u>Years</u>		<u>Years</u>
<u>Infrastructure</u>		<u>Other</u>	
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
		Bins and containers	5
<u>Community</u>		Specialised plant and equipment	10-15
Improvements	30	Other plant and equipment	2-5
Recreational Facilities	20-30	Landfill sites	15
Security	5		
<u>Investment Properties</u>	30		

- 6.5.2 Heritage assets, which are defined as culturally significant resources are not depreciated as they are regarded as having an infinite life. Land is also not depreciated for the same reason.
- 6.5.3 Incomplete construction work is stated at historic cost. Depreciation only commences when the asset is commissioned into use.
- 6.5.4 The carrying amount of an item or a group of identical items of PPE is reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The amount of the reduction is recognised as an expense immediately, unless it reverses a previous revaluation, in which case it is charged to the revaluation non distributable reserve.
- 6.6 Disposal and retirement of assets

- Assets are written off on disposal or retirement.
- The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the Statement of Financial Performance.

## **7. REVALUATION OF LAND AND BUILDINGS**

Land and buildings are stated at re-valued amounts, as contained in the official valuation roll, being regarded as the fair value at the date of revaluation less subsequent accumulated depreciation in respect of buildings.

## **8. INTANGIBLE ASSETS**

Intangible assets are treated in accordance with the provisions of International Accounting Standard (IAS) 38. In accordance with these provisions intangible assets are initially recorded at their cost price and are subsequently amortised over their expected useful lives. An intangible asset is defined as an identifiable non – monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. The intangible assets under the control of the Municipality are amortised according to the straight line method.

## **9. INVESTMENTS**

### **9.1 Financial Instruments**

Financial Instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

### **9.2 Investment in Associate**

An associate is an entity over which the Municipality is in a position to exercise significant influence, through participation in the financial and operating policy decisions of the investee.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. The carrying value of the investment in associates is adjusted for the municipality's share of operating surpluses/(deficits) less any dividends received.

Where the Municipality or its Municipal Entities transact with an associate, unrealised gains and losses are eliminated to the extent of the Municipality's or its Municipal Entities' interest in the relevant associate, except where unrealised losses provide evidence of an impairment of the asset transferred.

Where the Municipality is no longer able to exercise significant influence over the associate the equity method of accounting is discontinued.

The carrying amounts of such investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments.

### **9.3 Investment in Municipal Entities**

Investments in municipal entities under the ownership control of the Municipality are carried at cost. Separate consolidated financial statements are prepared to account for the Municipality's share of net assets and post-acquisition results of these investments.

### **9.4 Interests in Joint Ventures**

A joint venture is a contractual arrangement whereby the Municipality and other parties undertake an economic activity that is subject to joint control. Interests in joint ventures are stated at cost.

#### *Jointly Controlled Operations*

The Municipality recognises the assets that it controls, the liabilities and expenses that it incurs as well as its share in the revenue that it earned from the sale or provision of goods or services by the joint venture.

#### *Jointly Controlled Assets*

The Municipality's share of the jointly controlled assets and liabilities is recognised in the statement of financial position and is classified according to their nature. Revenue from the sale or use of the Municipality's share of the output of the jointly controlled assets, and its share of the expenses incurred is recognised in the statement of financial performance.

#### *Jointly Controlled Entities*

Interests in jointly controlled entities are stated at cost.

## **10. INVENTORIES**

Consumable stores, raw materials, work in progress and finished goods are valued at the lower of cost, determined on the weighted average cost basis, and net realisable value.

Cost of inventories comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventories to its present location and condition.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Consumables are written down with regard to their age, condition and utility.



**11. ACCOUNTS RECEIVABLE**

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. The provision for bad debts is based on all debtors older than 90 days.

Bad debts are written off during the year in which they are identified.

**12. TRADE CREDITORS**

Trade creditors are stated at their nominal value.

**13. UNUTILISED CONDITIONAL GRANTS**

Unutilised conditional grants are reflected on the Statement of Financial Position as a creditor – Unutilised conditional grants. They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash. The following provisions are set for the creation and utilisation of this creditor:

- The cash which backs up the creditor is invested until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.
- Whenever an asset is purchased out of the unutilised conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilised Conditional Grant into the statement of financial performance as revenue. Thereafter an equal amount is transferred on the Statement of changes in net assets to a Government Grant Reserve. This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the Unutilised Conditional Grants. The Government Grant Reserve is used to offset depreciation charged on assets purchased out of the Unutilised Conditional Grants.

**14. VALUE ADDED TAX**

The Council accounts for Value Added Tax on the cash basis.

**15. REVENUE RECOGNITION**

Revenue is derived from a variety of sources which include Rates levied, grants from other tiers of government and revenue from trading activities and other municipal services provided.

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the municipality and these benefits can be measured reliably.

**15.1 Revenue from Exchange Transactions**

Service charges relating to Electricity and Water are based on consumption. Meters are read and billed on a monthly basis and revenue is recognized when billed. Estimates of consumption are made monthly when meter readings have not been performed. The

estimates of consumption are recognized as revenue when billed. Adjustments to estimates of consumption are made in the billing period when meters have been read. These adjustments are recognized as revenue in the billing period.

Sewerage charges are levied and billed on an annual basis based on the municipality's Tariff Policy.

Refuse charges are levied and billed on a monthly basis based on the municipality's Tariff Policy.

Various services are provided on a prepayment basis in which case no formal billing takes place and revenue is accrued when received.

Income in respect of housing rental and instalments are accrued monthly in advance.

Interest earned on investments is recognised in the Statement of Financial Performance on a time proportionate basis that takes into account the effective yield on the investment. Interest earned on the following investments is not recognised in the Statement of Financial Performance:

- Interest earned on unutilised conditional grants is allocated directly to the unutilised conditional grant creditor, if the grant conditions indicate that interest is payable to the funder.

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised (Creditors: Unutilized Grants)

## **15.2 Revenue from non-exchange transactions**

Revenue from rates is recognized, net of rebates granted, when the legal entitlement to this revenue arises. A Differential Rating system is applied. In terms of this system assessment rates are levied on the land and improvements value of property and rebates are granted subject to certain conditions. A composite rating system charging different rate tariffs for different categories of ratepayers is employed.

Collection charges are recognized when such amounts are legally enforceable.

Interest on outstanding debtors is recognized on a time proportionate basis and is charged on all outstanding debtors older than 30 days or part thereof.

Fines constitute both spot fines and summonses. Revenue from spot fines is recognised when payment is received, and the revenue from the issuing of summonses is only recognised when collected by the Courts and paid over to the Municipality. Due to the various legal processes that can apply to summonses and the inadequate information received from the Courts, it is not possible to measure this revenue when the summons is issued.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

## **16. CONDITIONAL GRANTS AND RECEIPTS**

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

## **17. PROVISIONS**

A provision is recognised when the municipality has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

### **18.1 Employee Benefits**

#### **18.1.1 Pension / Retirement Fund**

The Council and its employees contribute to various Pension and Retirement Funds and its councillors contribute to the Pension Fund for Municipal Councillors. These funds provide retirement benefits to such employees and councillors.



The retirement benefits are calculated in accordance with the rules of the funds. Full actuarial valuations are performed on a regular basis.

Current contributions are charged against the operating account of the Council at a percentage of the pensionable remuneration paid to employees or councillors.

A provision is made for the best estimate of the current cost of gratuities payable to employees that were not previously members of a pension fund.

#### **18.1.2 Medical Aid: Continued Members**

Council provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of the medical aid funds, with which Council is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the member is liable for 30% or 40% of the medical aid membership fee, and Council for the remaining 70% or 60%.

#### **18.1.3 Accrued Leave Pay**

Liabilities for annual leave are recognised as they accrue to employees. Provision is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

#### **18.1.4 Provision for Bonuses, Performance Bonuses and Long Service Bonusses**

The Municipality makes provision for bonuses payable where at year end minimum bonus amounts owing to officials are contractually payable in the next financial year.

#### **18.2 Provision for the rehabilitation of landfill sites**

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

### **19. LEASES**

#### **LESSEE ACCOUNTING**

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset as described in paragraph 6 are transferred to the Municipality.

Operating leases are those leases which do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the lease term or any other basis which is representative of the time pattern of the lessees benefit.

Assets subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the assets is depreciated at appropriate rates on the straight line basis over the estimated useful lives of the assets. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

The Municipality will not incur a foreign currency lease liability other than that allowed by the MFMA.

### **LESSOR ACCOUNTING**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return to the Municipality's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

## **20. FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are initially accounted for at the rate of exchange ruling on the date of the transaction. Trade creditors denominated in foreign currency are reported at the Statement of Financial Position date by using the exchange rate at that date. Exchange differences arising on the settlement of creditors or on reporting of creditors at rates different from those at which they were initially recorded during the period are recognised as revenue or as expenses in the period in which they arise.

Where the transaction is covered by a forward exchange contract, the rate specified in the contract is used. The Municipality will not incur a foreign currency liability other than that allowed by the MFMA.

## **21. CASH AND CASH EQUIVALENTS**

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of less than one year are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

## **22. UNAUTHORISED EXPENDITURE**

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

**23. IRREGULAR EXPENDITURE**

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

**24. FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

**25. ROUNDING**

The amounts reflected in the financial statements of the Municipality are all in Rand, and all amounts are rounded off to the nearest Rand.

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

	2006 R	2005 R
<b>1 HOUSING DEVELOPMENT FUND</b>		
Housing Development Fund	42,001,232	36,452,420
Unappropriated Surplus	42,001,232	36,452,420
Loans extinguished by Government on 1 April 1998	-	-
The Housing Development Fund is represented by the following assets and liabilities		
Property, plant and equipment (see note 9)	-	-
Housing selling scheme loans	-	-
Other Debtors	-	-
Unauthorised use of cash for other purposes	-	-
Bank and cash	-	-
Sub-total	-	-
Creditors	42,001,232	36,452,420
<b>Total Housing Development Fund Assets and Liabilities</b>	<b>42,001,232</b>	<b>36,452,420</b>
<b>2 LONG-TERM LIABILITIES</b>		
Local Registered Stock Loans	-	-
Annuity Loans	84,818,418	72,574,697
Capitalised Lease Liability	-	-
Government Loans : Other	-	3,159,595
Sub-total	84,818,418	75,734,292
Less : Current portion transferred to current liabilities	(8,803,698)	(6,082,851)
Local Registered Stock Loans	-	-
Annuity Loans	-8,803,698	-5,583,889
Capitalised Lease Liability	-	-
Government Loans : Other	-	(498,961)
<b>Total External Loans</b>	<b>75,914,720</b>	<b>69,651,441</b>
<b>3 NON-CURRENT PROVISIONS</b>		
Provision for reclamation of refuse landfill site	500,000	-
Provision for Post Retirement Benefits	5,000,000	-
	-	-
<b>Total Non-Current Provisions</b>	<b>5,500,000</b>	<b>-</b>

Provision for post retirement benefits and reclamation of refuse landfill sites were not provided for the 2004/05 year, but provision for long-service was provided for the 2005/06 year.

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

**3 NON-CURRENT PROVISIONS**

The movement in the non-current provisions are reconciled as follows: -

**30 June 2006**

	<u>Landfill</u>	<u>Post retirement Benefits</u>
Balance at beginning of year	-	-
Contributions to provision	500,000	5,000,000
Expenditure Incurred	-	-
Increase in provision due to discounting	-	-
Transfer to current provisions	-	-
<b>Balance at end of year</b>	<b>500,000</b>	<b>5,000,000</b>

**30 June 2005**

Balance at beginning of year	-	-
Contributions to provision	-	-
Expenditure Incurred	-	-
Increase in provision due to discounting	-	-
Transfer to current provisions	-	-
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>

**2006**

**R**

**2005**

**R**

**4 CONSUMER DEPOSITS**

Electricity	3,834,185	3,055,442
Water	3,118,551	2,860,006
Interest	-	-
<b>Total Consumer Deposits</b>	<b>6,952,736</b>	<b>5,915,448</b>

**Guarantees held in lieu of Electricity and Water Deposits**

<b>567,111</b>	<b>1,031,578</b>
----------------	------------------

**2006**

**R**

**2005**

**R**

**5 CREDITORS**

Trade creditors	24,737,055	12,711,641
Unallocated Creditors	2,183,620	1,473,008
Control Account	1,380,585	892,123
Deposits: Other	144,461	107,880
Other creditors	-	-
<b>Total Creditors</b>	<b>28,445,721</b>	<b>15,184,653</b>

**5.1 PROVISIONS**

Staff leave	3,565,214	3,435,163
Annual Bonus	2,150,000	-
Performance bonus	285,887	-
Long service Bonus	450,065	-
<b>Total Provisions</b>	<b>6,451,166</b>	<b>3,435,163</b>

Note: Staff leave was classified as a reserve in the previous financial year and is now reclassified as a provision. The provisions for Annual-, Performance- and Long Service Bonus, are new provisions in terms of GRAP.

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008 R	2008 R
<b>6 UNSPENT CONDITIONAL GRANTS AND RECEIPTS</b>		
<b>6.1 Conditional Grants from other spheres of Government</b>	12,955,612	10,223,231
Conditional Government Grants	12,955,612	10,223,231
	-	-
<b>6.2 Other Conditional Receipts</b>	1,363,837	1,312,575
Public contributions	-	-
	1,363,837	1,312,575
<b>Total Conditional Grants and Receipts</b>	<b>14,319,349</b>	<b>11,535,806</b>
See Note 17 for reconciliation of grants from other spheres of government. These amounts are invested until utilized		
<b>7 VAT</b>		
VAT payable	4,373,483	1,289,782
VAT receivable	-	7,392,153
VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.		
<b>8 LONG-TERM RECEIVABLES</b>		
Other	34,250	34,250
Sport Clubs	26,573	26,573
Sale of Land	2,551,598	2,630,748
Vehicle loans	906,798	1,375,787
Housing selling scheme loans	7,838,131	8,340,375
	11,357,349	12,407,733
Less : Current portion transferred to current receivables	630,123	786,974
Car loans	-	-
Sewerage connection loans	-	-
Total	630,123	786,974
Electricity appliance purchase scheme	-	-
Housing selling scheme loans	-	-
<b>Total</b>	<b>10,727,226</b>	<b>11,620,758</b>
<b>9 INVENTORY</b>		
Consumable stores – at cost	2,320,660	2,293,236
Water – at cost	52,210	-
<b>Total Inventory</b>	<b>2,372,870</b>	<b>2,293,236</b>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

	2006 R	2005 R
<b>11 CONSUMER DEBTORS</b>		
	<b>Gross Balances</b>	<b>Provision for Bad Debts</b>
		<b>Net Balances</b>
<b>As at 30 June 2006</b>		
Service debtors	40,798,718	40,798,718
Rates	11,147,347	11,147,347
Electricity	5,543,737	5,543,737
Water	15,508,403	15,508,403
Sewerage	8,599,230	8,599,230
Regional Service Levies	-	-
Housing	12,737,769	12,737,769
Cash Advances (Floats)	14,074	14,074
Sundry Debtors	22,424,114	22,424,114
Current debtors (Consumers and other)	-	(56,682,249)
<b>Total</b>	<b>75,972,875</b>	<b>(56,682,249)</b>
<b>As at 30 June 2005</b>		
Service debtors	-	-
Rates	-	-
Electricity	-	-
Water	-	-
Sewerage	-	-
Regional Service Levies	-	-
Housing rentals	-	-
Current debtors (Consumers and other)	63,543,281	-17,321,052
<b>Total</b>	<b>63,543,281</b>	<b>(17,321,052)</b>
The following amount were written off as bad debts during the year:	378,803	
<b><u>Rates: Ageing</u></b>		
Current (0 – 30 days)	2,955,349	-
31 - 60 Days	304,341	-
61 - 90 Days	251,937	-
91 - 120 Days	214,022	-
121 - 365 Days	2,271,258	-
+ 365 Days	3,719,111	-
<b>Total</b>	<b>9,716,018</b>	-
<b><u>Levy Debtors: Ageing</u></b>		
Current (0 – 30 days)	12,673,811	-
31 - 60 Days	1,230,883	-
61 - 90 Days	1,055,900	-
91 - 120 Days	1,042,228	-
121 - 365 Days	6,179,526	-
+ 365 Days	17,469,806	-
<b>Total</b>	<b>39,651,954</b>	-
<b><u>Other Debtors: Ageing</u></b>		
Current (0 – 30 days)	(1,415,374)	-
31 - 60 Days	120,877	-
61 - 90 Days	145,038	-
91 - 120 Days	187,729	-
121 - 365 Days	1,551,635	-
+ 365 Days	12,932,937	-
<b>Total</b>	<b>13,522,842</b>	-

## SALDANHA BAY MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Housing rentals: Ageing

Current (0 – 30 days)	188,134	-
31 - 60 Days	66,454	-
61 - 90 Days	66,645	-
91 - 120 Days	84,747	-
121 - 365 Days	534,050	-
+ 365 Days	7,452,945	-
<b>Total</b>	<b>8,372,975</b>	<b>-</b>

Summary of Debtors by Customer Classification

30 June 2006

	<u>Consumers</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
	R	R	R
Current (0 – 30 days)	9,827,494	3,962,071	612,155
31 - 60 Days	1,467,527	216,849	38,179
61 - 90 Days	1,375,553	118,537	25,430
91 - 120 Days	1,308,292	174,751	25,683
121 - 365 Days	9,117,255	1,125,414	293,800
+ 365 Days	38,928,727	2,003,251	642,821
<b>Sub-total</b>	<b>62,024,848</b>	<b>7,600,873</b>	<b>1,638,068</b>
Less: Provision for bad debts	-	-	-
<b>Total debtors by customer classification</b>	<b>62,024,848</b>	<b>7,600,873</b>	<b>1,638,068</b>

Summary of Debtors by Customer Classification

30 June 2005

	<u>Consumers</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
	R	R	R
Current	-	-	-
Current (0 – 30 days)	-	-	-
31 - 60 Days	-	-	-
61 - 90 Days	-	-	-
91 - 120 Days	-	-	-
121 - 365 Days	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: Provision for bad debts	-	-	-
<b>Total debtors by customer classification</b>	<b>-</b>	<b>-</b>	<b>-</b>

Age Analysis year end differs from Annual Financial Statement and Ledger year end.

The SAMRAS system is a dynamic system meaning that all data are current. The system updates the payments in a certain order. Interest gets cleared first, then oldest arrears and only then will current debt be cleared. An age analysis done will differ on a day to day basis. Data on the votes were processed up to 30 June 2006 and were stated in the financial statements. On the debtors side the month end was done after the levies for the particular month, in this case 22 June 2006. If an age analysis were done after this date, only payments up to this mentioned date will be taken into consideration. The supplier of the software has now written a program that will do an age analysis up to and including a certain date. This data will be extracted from the audits on the system. This data will also be saved on the system on a month to month basis for future use.

Reconciliation of the bad debt provision

	2006	2005
	R	R
Balance at beginning of the year	17,321,052	-
Contributions to provision	39,740,000	-
Bad debts written off against provision	(378,803)	-
Reversal of provision	-	-
<b>Balance at end of year</b>	<b>56,682,249</b>	<b>-</b>

## 12 OTHER DEBTORS

	R	R
Payments made in advance	-	-
Unauthorized expenditure (see Note 35)	-	-
Fruitless and wasteful expenditure (see Note 35)	-	-
Unpaid conditional Grants	15,674,093	11,366,758
Insurance claims	-	-
Government subsidies	-	-
<b>Total Other Debtors</b>	<b>15,674,093</b>	<b>11,366,758</b>



**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2006
	R	R
<b>13 CALL INVESTMENT DEPOSITS</b>		
Call deposits	166,000,000	90,000,000
Other Deposits	-	-
	<hr/>	<hr/>
Average Rate of Return on Investments	7.10%	7.80%

Investments include unspent conditional grants and CRR.

**14 BANK, CASH AND OVERDRAFT BALANCES**

The Municipality has the following bank accounts: -

**Current Account (Primary Bank Account)**

ABSA Bank Limited - Cheque Account - Vredenburg Branch  
 Account Number 1300152100

Cash book balance at beginning of year	37,361,633	19,463,415
Cash book balance at end of year	22,306,342	37,361,633
	<hr/>	<hr/>
Bank statement balance at beginning of year	40,341,148	21,197,976
Bank statement balance at end of year	24,974,913	40,341,148
	<hr/>	<hr/>

**15 PROPERTY RATES**

**Actual**

Property Rates: Zero Rate	-1,515,217.14	(935,266)
Property Rates: Pensioners	-41,581.00	(42,536)
Property Rates: Pensioners	41,581.00	42,536
Building Clause Levy	87,301.39	72,222
Contribution: Housing	13,080.02	12,231
Property Rates	64,091,777.98	50,594,084
Property Rates: Zero Rate	281,759.52	935,266
Property Rates: Government Contributions	-	25,824
Previous Year Levies	2,742	(73,792)
Property Rates	(40,169)	
Property Rates: W	(4,376,459)	
<b>Total Assessment Rates</b>	<b>58,544,816</b>	<b>50,630,568</b>

**Property Valuations**

	<u>July 2005</u>	<u>July 2004</u>
	<u>R000's</u>	<u>R000's</u>
Residential	2,752,300,540	2,460,316,621
Commercial	878,321,210	867,296,810
State	412,800,500	412,229,500
Other	1,290,000	1,290,000
Farms	255,016,037	246,201,670
<b>Total Property Valuations</b>	<b>4,299,728,287</b>	<b>3,987,334,601</b>

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2002. Rebates of 50% are granted to residential and 20% to state property owners. Single Home - 50%, Small Holdings - 50%, Zoned for Farming - 97.4%, Nature Reserves - 75%, Total valuation R22 000 or less - 100%, Pensioners Income < R18 720 - 40%, Income < R20 600 - 30%, Income < R22 700 - 20%. Rates are levied on an annual basis with the final date of payment being 30 September. On application, rate payers may pay monthly. Interest at the standard interest rate per annum is levied on outstanding rates.

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2006 R	2005 R
<b>16 SERVICE CHARGES</b>		
Garden Refuse Removals	14,844.41	21,970
Refuse Removal Levies	13,699,194.35	13,326,784
Refuse Removal	246,345.75	286,528
Refuse Sites outside Municipal Boundaries	83,887.31	81,717
Refuse Removals : "Skips"	621,536.77	696,416
Basic Services (Minimum)	1,389,799.38	1,228,665
Departmental Usage	71,477.03	70,896
Pump Removals Levies	361,876.81	412,581
Connection Fees	19,824.56	39,701
Basic Services(Minimum)	8,714,841.94	7,917,648
Departmental: Basic Levies(Min.)	32,271.36	30,444
Departmental Levies: "Vloelgelde"	46,722.88	44,127
Clear Blockages	1,339.39	3,792
Sewerage Levies: Industrial (Basic)	1,317,623.29	1,578,335
Sewerage Removal Levies - Housing	5,541.52	5,808
Previous Year Levies	-	12,575
Sewerage Removal Levies - "Vloelgelde"	3,851,571.90	3,525,815
Water sold - Purified Sewerage Water	74,632.02	63,767
Previous Year Levies	-	244
Connection Fees	528,055.98	495,521
Basic Levies (Minimum)	5,276,124.90	5,163,268
Basic Departmental Levies(Minimum)	31,517.59	54,385
Availability Levies	2,231,273.33	2,023,417
Departmental Usage	1,301,731.83	1,142,421
Sundry	56,039.02	958
Reconnection Levies	92,707.05	78,184
Testing Meters	754.99	353
Water: Zero Rate	-	3,727,800
Water sold	49,863,332.45	41,490,787
Previous Year Levies	10,601.88	(125,340)
Water sold Zero Rate	-	(3,727,800)
Previous Year Levies	-	32,128
Connection Fees	941,753.97	1,053,501
Basic Levies(Minimum)	8,723,415.54	8,251,484
Basic Departmental Levies (Minimum)	651,686.73	625,385
Budget Meters	12,144,306.74	10,368,955
Availability Levies	698,800.89	665,706
Departmental Usage	1,716,794.82	1,680,408
Sundry	44,502.47	26,860
Electricity Sold	41,686,382.77	38,599,856
5% Levies on DSP Accounts	581,530.42	682,349
Reconnection Levies	232,228.12	293,828
Monthly Extension Levies	6,909.24	7,694
Testing Meters	300.00	300
<b>Total Service Charges</b>	<b>157,373,581</b>	<b>141,920,101</b>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

	2006 R	2005 R
<b>17 GOVERNMENT GRANTS AND SUBSIDIES</b>		-
Finance Management Grant	788,997	252,737
Management Support Program	26,545	324,328
Capital Donations	-	19,650,681
Public Contributions	-	59,134
Skill Development Program SETA	104,785	5,491
Performance Management System	60,000	-
Government Grant - Capital contributions	3,942,479	-
Subsidies - Main Roads	39,601	-
VUNA Awards	-	679,923
Vuna Capital Spending	-	70,077
Primary Health (PAWK)	3,817,689	7,294
Ward Committee Establishment	-	237,000
Transfer Award	-	2,117,299
Oversepend Conditional Grants to Debtors	9,184,884	4,350,394
Equitable Share	-	188,207
MSIG Funds	-	224,147
TASK - Payments	-	8,709
Provincial Administration - "Soup kitchen"	-	183,748
Department of Sport and Recreation	82,450	198,865
Contribution - Western Cape Cleanup Operation	18,047,430	28,558,034
<b>Total Government Grant and Subsidies</b>		

**17.1 Equitable Share**

This grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy, which is funded from this grant.

Amount of mothly indigent subsidy:	2006	2005
Timbercity, Middelpos, Whitecity	R 103.00	R 72.00
Langville	R 135.00	R 97.00
Formal areas	R 129.00	R 93.00

	2006 R	2005 R
<b>17 GOVERNMENT GRANTS AND SUBSIDIES (continued)</b>		

**17.2 Provincial Health Subsidies**

Balance unspent at beginning of year	-	-
Current year receipts - included in public health vote	3,817,689	-
Conditions met - transferred to revenue	(3,817,689)	-
Conditions still to be met - transferred to liabilities (see note 7)	-	-

The Municipality renders health services on behalf of the Provincial Government and is refunded 100% of total expenditure incurred. This grant has been used exclusively to fund clinic services (included in the public health vote in Appendix D). The conditions of the grant have been met. There was no delay or withholding of the subsidy

**17.3 MIG Grant**

Balance unspent at beginning of year	-	-
Current year receipts	2,782,542	-
Conditions met - transferred to revenue	(2,782,542)	-
Conditions still to be met - transferred to liabilities (see note 7)	-	-

This grant was used to construct infrastructure. (Include in votes in Appendix B).

**17.4 Provincial LED Projects**

Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities (see note 7)	-	-

**18 EMPLOYEE RELATED COSTS**

Employee related costs - Salaries and Wages	-	57,477,408
Employee related costs - Contributions for UIF, pensions and medical	-	12,444,276
Remuneration	48,876,642	-
Bonuses	4,833,901	-
Contribution Group Life	1,229,942	-
Contribution Medical Aid	3,718,829	-
Contribution Pension Funds	7,973,346	-
Standby	689,857	-
Employment Cost	165,868	-
Overtime Payments	3,009,780	-
Subsidy: Interest	586,909	-
Allowance: Transport	1,468,841	-
Allowance: Tools	720	-
Uniforms/Protective Clothing	466,334	-
Leave Payments	259,956	-
Insurance: Workmans compensation	1,129,547	-
Transport of Furniture	12,500	-
UIF	485,978	-
Less: Employee costs capitalised to Property, Plant and Equipment	-	(11,425)
Less: Employee costs included in other expenses	-	-
<b>Total Employee Related Costs</b>	<b>74,686,949</b>	<b>69,910,260</b>

**Remuneration of the Municipal Manager**

Annual Remuneration	342,490	547,664
Bonuses	-	88,720
Performance bonus	88,720	-
Car Allowance	100,931	-
Severance Package	497,896	-
Pension funds	40,341	-
Leave Pay	21,024	-
Travel Allowance	18,288	-
<b>Total</b>	<b>1,109,689</b>	<b>636,384</b>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

	2006 R	2005 R
<b>18 EMPLOYEE RELATED COSTS (continued)</b>		
<i>Remuneration of the Chief Finance Officer</i>		
Annual Remuneration	214,754	202,096
Bonuses	17,981	
Housing Subsidy	5,108	16,963
Car Allowance	106,254	81,808
Pension funds	58,343	86,585
	<u>402,440</u>	<u>387,250</u>

*Remuneration of Individual Executive Directors*  
30 June 2006

	<u>Technical</u> <u>Services</u> R	<u>Corporate</u> <u>Services</u> R	<u>Community</u> <u>Services</u> R
Annual Remuneration	250,336	307,266	285,996
Performance Bonuses	71,147	61,485	61,836
Car Allowance	107,970	73,423	126,708
Medical and pension funds	64,083	71,098	-
Travel Allowance		1,690	
Tax: Motor Loan		845	
Backpay		2,185	
Acting Allowance		39,648	
Total	<u>493,516</u>	<u>557,640</u>	<u>474,540</u>

	<u>Technical</u> <u>Services</u> R	<u>Corporate</u> <u>Services</u> R	<u>Community</u> <u>Services</u> R
30 June 2005			
Annual Remuneration	399,272	459,463	390,374
Performance Bonuses	71,147	61,485	61,836
Car Allowance	-	-	-
Medical and pension funds	-	-	-
Total	<u>470,419</u>	<u>520,948</u>	<u>452,210</u>
	R	R	R

**19 REMUNERATION OF COUNCILLORS**

Executive Mayor	264,894	288,584
Deputy Executive Mayor	228,045	240,372
Speaker	234,260	238,921
Mayoral Committee Members	625,678	650,866
Councillors	879,766	812,585
Councillors' pension contribution	151,140	-
Cell phone Allowance	102,524	-
Total Councillors' Remuneration	<u>2,486,306</u>	<u>2,231,328</u>

**20 INTEREST PAID**

Interest Paid	9,473,473	10,090,406
	-	-
Total Interest on External Borrowings	<u>9,473,473</u>	<u>10,090,406</u>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

	2006 R	2005 R
<b>21 BULK PURCHASES</b>		
Electricity	42,117,803.80	34,721,095
Water	25,805,548.57	20,141,033
<b>Total Bulk Purchases</b>	<b>67,923,352</b>	<b>54,862,129</b>

<b>22 GRANTS AND SUBSIDIES PAID</b>		
Indigent households	5,362,068	3,914,120
<b>Total Grants and Subsidies</b>	<b>5,362,068</b>	<b>3,914,120</b>

	2006 R	2005 R
<b>23 CASH GENERATED BY OPERATIONS</b>		
Surplus for the year	84,631,944	63,683,327
Adjustment for:-		
Depreciation	13,923,372	19,694,611
Gain on disposal of property, plant and equipment	-	(1,520,600)
Contribution to provisions - non-current	-	-
Contribution to provisions - current	-	-
Contribution to bad debt provision	-	6,411,000
Previous Year	(43,703)	-
Debt written off against Bad Debt Provision	-	(119,609)
Equity accounted share of associate's surplus	-	-
Investment Income	(12,154,919)	(8,272,587)
Interest paid	9,473,473	10,080,406
<b>Operating surplus before working capital changes:</b>	<b>95,830,168</b>	<b>89,946,549</b>
Decrease in Inventories	(79,634)	-
(Increase)/decrease in debtors	26,931,803	-
(Increase)/decrease in other debtors	(4,307,335)	-
(Decrease)/increase in unspent conditional grants and receipts	2,783,543	-
Increase in creditors	13,261,069	-
(Increase)/Decrease in provisions	(40,042,676)	-
(Increase)/decrease in VAT	10,485,874	-
<b>Cash generated by/(utilised in) operations</b>	<b>104,872,812</b>	<b>89,946,549</b>

**24 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:

Bank balances and cash	22,308,342	37,361,633
Bank overdraft	-	-
<b>Total cash and cash equivalents</b>	<b>22,308,342</b>	<b>37,361,633</b>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**25 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION**

Long-term liabilities (see Note 2)	84,818,418	75,734,292
Used to finance property, plant and equipment – at cost	84,818,418	75,734,292
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities	-	-
Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash is available to ensure that long-term liabilities can be repaid on redemption date.

	2008 R	2005 R
<b>UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL 26 EXPENDITURE DISALLOWED</b>		

**Unauthorised expenditure**

**Reconciliation of unauthorised expenditure**

Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Transfer to receivables for recovery (note 22)	-	-
Unauthorised expenditure awaiting authorisation	-	-

Incident	Disciplinary steps/criminal proceedings

**Fruitless and wasteful expenditure**

**Reconciliation of fruitless and wasteful expenditure**

Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
To be recovered – contingent asset (see note 40)	-	-
Fruitless and wasteful expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings

**Irregular expenditure**

**Reconciliation of irregular expenditure**

Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE**  
**27 MANAGEMENT ACT**

**27.1 Contributions to organized local government**

Opening balance	-	-
Council subscriptions	302,300	134,003
Amount paid - current year	(302,300)	(134,003)
Amount paid - previous years	-	-
Balance unpaid (Included in creditors)	-	-

No amounts was outstanding at year-end.

**27.2 Audit fees**

Opening balance	-	832,411
Current year audit fee	795,281	580,000
Amount paid - current year	(795,281)	(1,192,411)
Amount paid - previous years	-	-
Balance unpaid (Included in creditors)	-	-

The balance unpaid represents the audit fee for an interim audit conducted during May and June 2008 and is payable by 31 July 2008

**27.3 VAT**

VAT inputs receivables and VAT outputs receivables are shown in note 8. All VAT returns have been submitted by the due date throughout the year.

**27.4 PAYE and UIF**

Opening balance	-	-
Current year payroll deductions	7,178,585	-
Amount paid - current year	(7,178,585)	-
Amount paid - previous years	-	-
Balance unpaid (Included in creditors)	-	-

No amounts was outstanding at year-end.

**27.5 Pension and Medical Aid Deductions**

Opening balance	-	-
Current year payroll deductions and Council Contributions	89,752,228	10,856,509
Amount paid - current year	(89,752,228)	(10,856,509)
Amount paid - previous years	-	-
Balance unpaid (Included in creditors)	-	-

No amounts was outstanding at year-end.



**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

**27.6 Other - SA Music Rights, Skill Development Levies and District Municipality Levies.**

Opening balance	-	-
Current year payroll deductions and Council Contributions	888,407	712,950
Amount paid - current year	(888,407)	(712,950)
Amount paid - previous years	-	-
Balance unpaid (Included in creditors)	<u>-</u>	<u>-</u>

No amounts was outstanding at year-end.

**27.7 Councillor's arrear consumer accounts**

The following Councillors had arrear accounts outstanding for more than 90 days as at: -

<b>30 June 2006</b>	<b><u>Total</u></b>	<b><u>Outstanding, less than 90 days</u></b>	<b><u>Outstanding more than 90 days</u></b>
Councillor Mbanze F	3,847	-	3,847
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Councillor Arrear Consumer Accounts</b>	<b><u>3,847</u></b>	<b><u>-</u></b>	<b><u>3,847</u></b>

<b>30 June 2005</b>	<b><u>Total</u></b>	<b><u>Outstanding, less than 90 days</u></b>	<b><u>Outstanding more than 90 days</u></b>
Councillor	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Councillor Arrear Consumer Accounts</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

During the year the following Councillors' had arrear accounts outstanding for more than 90 days

	<b><u>Highest Amount Outstanding</u></b>	<b><u>Ageing</u></b>
<b>30 June 2006</b>		
Councillor Mbanze F	3,847	120 days
<b>30 June 2005</b>		
Councillor	-	days

No individual Councillors had arrear accounts for more than 90 days.

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**28 CAPITAL COMMITMENTS**

Commitments in respect of capital expenditure in respect of 2008/07 budget:

- Approved and contracted for

*Infrastructure*

*Community*

*Heritage*

*Other*

*Housing Development Fund*

*Investment Properties*

52,124,526

48,068,810

37,937,878

-

-

3,316,150

10,871,500

-

55,509,652

73,088,527

18,800,762

209,500

-

16,823,290

21,676,100

-

107,634,178

121,188,337

**Total**

This expenditure will be financed from:

- External Loans

- Capital Replacement Reserve

- Government Grants

- Housing Development Fund

- Special Funds

- Housing Board

- Own resources

- District Council Grants

5,068,874

39,234,670

21,024,000

4,550,000

100,000

37,082,600

-

574,034

107,634,178

-

50,370,527

70,784,810

-

-

-

-

121,155,337

**29 RETIREMENT BENEFIT INFORMATION**

Council and employees contribute mainly to the Cape Joint Pension fund / Provided fund. Last Percentage Funding: 30 June 2005: Cape Joint Pension fund - 103.4% and Cape Joint Retirement Fund - 106.2%. Councillors may belong to an own pension fund. (Information received from [www.capejoint.co.za](http://www.capejoint.co.za))

**30 CONTINGENT LIABILITY**

**30.1 Legal Costs**

Possible loss of legal costs arising from Supreme Court matters due to claims instituted against the Municipality

270,000

270,000

-

-

## 32.1

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**21. INVESTMENTS (Refer note 13)**

INSTITUTION	INVESTMENT NUMBER	INVESTMENTS 30/06/2008			INTEREST RATE	TERM	MATURITY DATE
		DATE	CHEQUE NO.	R			
ABSA	2085248186	10/01/08	38240	5,000,000.00	7.05%	6 Months	10/07/08
ABSA	2085307186	25/01/08	38572	5,000,000.00	7.05%	6 Months	25/07/08
ABSA	2085307186	25/01/08	38573	5,000,000.00	7.05%	6 Months	25/07/08
ABSA	2085407220	21/02/08	38132	5,000,000.00	7.10%	6 Months	21/08/08
ABSA	2085407186	21/02/08	38133	5,000,000.00	7.10%	6 Months	21/08/08
ABSA	2085488211	15/03/08	38814	5,000,000.00	7.10%	6 Months	11/09/08
ABSA	2085488075	15/03/08	38815	5,000,000.00	7.10%	6 Months	11/09/08
ABSA	2085520013	24/03/08	38776	5,000,000.00	7.10%	6 Months	20/09/08
ABSA	2085883018	15/05/08	40727	5,000,000.00	7.05%	3 Months	15/08/08
<b>Sub-Total</b>				<b>R 45,000,000</b>			
First National Bank	71087328728	10/01/08	38242	5,000,000.00	7.05%	6 Months	10/07/08
First National Bank	71088417278	25/01/08	38578	5,000,000.00	7.05%	6 Months	25/07/08
First National Bank	71088416880	25/01/08	38577	5,000,000.00	7.05%	6 Months	25/07/08
First National Bank	71100863386	21/02/08	38134	5,000,000.00	7.10%	6 Months	21/08/08
First National Bank	71100853734	21/02/08	38135	5,000,000.00	7.10%	6 Months	21/08/08
First National Bank	71102840743	15/03/08	38816	5,000,000.00	7.10%	6 Months	15/09/08
First National Bank	71102338233	15/03/08	38817	5,000,000.00	7.10%	6 Months	15/09/08
First National Bank	71102871528	24/03/08	38778	5,000,000.00	7.12%	6 Months	22/09/08
First National Bank	71102871457	24/03/08	38777	5,000,000.00	7.12%	6 Months	22/09/08
<b>Sub-Total</b>				<b>R 45,000,000</b>			
Standard Bank	28-850-408-032	10/01/08	38241	5,000,000.00	7.00%	6 Months	07/10/08
Standard Bank	28-850-408-033	25/01/08	38574	5,000,000.00	7.05%	6 Months	25/07/08
Standard Bank	28-850-408-034	25/01/08	38575	5,000,000.00	7.05%	6 Months	25/07/08
<b>Sub-Total</b>				<b>R 15,000,000</b>			
Nedbank	27840 7070 585 1	10/01/08	38243	5,000,000.00	7.05%	6 Months	10/07/08
Nedbank	1830 7070 585 3	25/01/08	38578	5,000,000.00	7.10%	6 Months	25/07/08
Nedbank	41820 7070 585 3	25/01/08	38579	5,000,000.00	7.10%	6 Months	25/07/08
Nedbank	20035 D 2079 585 1	21/02/08	38136	5,000,000.00	7.10%	6 Months	21/08/08
Nedbank	20036 D 2079 585 1	21/02/08	38137	5,000,000.00	7.10%	6 Months	21/08/08
Nedbank	21853 D 2079 585 2	15/03/08	38818	5,000,000.00	7.15%	6 Months	15/09/08
Nedbank	21854 D 2079 585 2	15/03/08	38819	5,000,000.00	7.15%	6 Months	15/09/08
Nedbank	8263 D 2070 585 3	24/03/08	38778	5,000,000.00	7.15%	6 Months	20/09/08
Nedbank	8254 D 2070 585 3	24/03/08	38779	5,000,000.00	7.15%	6 Months	20/09/08
Nedbank	3888 D 2079 585 2	15/05/08	40728	5,000,000.00	7.05%	3 Months	14/08/08
Nedbank	3887 D 2079 585 2	15/05/08	40729	5,000,000.00	7.30%	6 Months	15/11/08
Nedbank	3886 D 2079 585 2	15/05/08	40730	5,000,000.00	7.30%	6 Months	15/11/08
<b>Sub-Total</b>				<b>R 80,000,000</b>			
<b>TOTAL</b>				<b>R 165,000,000</b>			

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**32. OTHER INCOME**

	2008	2005
	R	R
Saldanha Steel Fund: Laingville	37,538	0
Chalets: Langebaan Resort: Public Contribution	1,028,000	0
Administration Fees	54,434	55,353
Copies	2,435	23,308
Cemetery Fees	218,808	224,170
Housing fund	4,205,147	2,085,414
Pest Extermination Fees	103	2,248
Payment Discount: Creditors	371,494	298,826
Building Plan Fees	756,079	1,782,857
Building Rubble Removal Fees	4,822	1,484
Fire Brigades Fees	2,115	27,235
VAT Recovery - Previous Years	0	5,239,413
Contribution: Saldanha Steel Fund	0	2,345
Contribution: Community Facilities	50	50
Contribution: Rent loss	1,503	1,402
Contribution: Maintenance Fund	12,757	11,852
Contribution: District Union Representative	33,887	52,545
Contribution: Transnet	36,519	0
Contribution: West Coast District Municipality: Fees	0	4,433
Summons	2,170	1,350
Departmental Usage	181,514	184,324
Town Plans and Copies	8,879	28,354
Copy Fees	34,285	32,811
Land Use Planning	273,872	205,075
Support	258,271	0
Subsidies - Municipal Buildings	53,078	0
Subsidies - Housing	4,368,138	0
Subsidies - Beaches	12,486,930	0
Subsidies - Sewerage Distribution	586,085	0
Subsidies - Solid Waste	1,122,807	0
Subsidies - Water	1,767,146	0
Capital Contribution: Public: Sewerage Distribution	2,002,121	1,149,922
Capital Contribution: Public: Streets	1,654,322	550,804
Capital Contribution: Public: Water	3,417,708	1,882,000
Capital Contribution: Public: Electricity Bulk Purchases	0	237,940
Capital Contribution: Public: Electricity Distribution	126,377	0
Commission on Coin Phones	23,932	683
Commission on Vehicle License Fees	2,073,252	1,833,659
PAYE Recovery	359,892	0
Licences: Commercial	1,295	1,219
Reverse of Unclaimed Money	0	1,296,238
Recreational Facilities Fees	8,925	12,349
Award: Cleanest Town	20,000	0
Beach Use: Donations	0	4,987
Swimmingpool Fees	27,088	24,788
Debited Out	2,539,542	935,831
Recoverable Expenditure	9,712	0
Sale of Plot Houses	19,298	28,070
Sale of Assets	2,026,701	0
Insurance Claims	292,453	2,276
Transport of Dogs to Vet	2,385	3,450
Vehicle Entrances	20,370	16,227
Previous year adjusted	247,712	0
Valuation Certificates	137,308	119,661
Sundry	627,859	419,586
	<b>43,542,927</b>	<b>18,543,292</b>

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

**10. PROPERTY, PLANT AND EQUIPMENT**

30 June 2008

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Housing Develop. Fund</u>	<u>Leased Infrastructure</u>	<u>Total</u>
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2008	-	80,277,701	20,377,341	-	38,882,219	-	-	140,217,261
Cost	-	293,857,077	59,238,781	-	113,041,891	-	-	466,137,549
Correction of error (note 32)	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(213,579,378)	(38,861,440)	-	(73,479,472)	-	-	(325,920,288)
- Cost	-	(213,579,378)	(38,861,440)	-	(73,479,472)	-	-	(325,920,288)
- Revaluation	-	-	-	-	-	-	-	-
Acquisitions	-	13,386,499	21,599,388	-	18,011,234	-	-	50,997,120
Capital under Construction	-	6,536,500	116,311	-	1,188,938	-	-	7,838,747
Increases/decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	-	(6,988,408)	(874,098)	-	(6,080,867)	-	-	(13,923,372)
- based on cost	-	(6,988,408)	(874,098)	-	(6,080,867)	-	-	(13,923,372)
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	(213,373)	-	-	(213,373)
Cost/revaluation	-	-	-	-	(653,142)	-	-	(653,142)
Non-Capital (Cost)	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	439,768	-	-	439,768
Impairment losses	-	-	-	-	-	-	-	-
Correction of error	-	-	-	-	-	-	-	-
	-	93,212,291	41,217,943	-	50,486,148	-	-	184,916,382.68
Carrying values at 30 June 2008	-	93,216,500	41,217,943	-	50,482,940	-	-	184,916,382.68
Cost	-	313,780,078	80,953,479	-	129,586,720	-	-	524,320,275
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(220,564,578)	(39,735,536)	-	(79,103,780)	-	-	(339,403,892)
- Cost	-	(220,564,578)	(39,735,536)	-	(79,103,780)	-	-	(339,403,892)
- Revaluation	-	-	-	-	-	-	-	-

**SALDANHA BAY MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006**

**19. PROPERTY, PLANT AND EQUIPMENT (continued)**

30 June 2005

Reconciliation of Carrying Value								
	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Housing Develop- ment Fund</u>	<u>Leased Infrastruct- ure</u>	<u>Total</u>
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2004	-	64,680,008	13,430,063	-	35,253,287	-	-	113,363,328
Cost	-	266,642,501	51,017,860	-	109,810,383	-	-	427,470,744
Correction of error (note 32)	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(201,962,493)	(37,587,807)	-	(74,557,116)	-	-	(314,107,416)
- Cost	-	(201,962,493)	(37,587,807)	-	(74,557,116)	-	-	(314,107,416)
- Revaluation	-	-	-	-	-	-	-	-
Acquisitions	-	27,214,578	8,220,821	-	11,113,047	-	-	46,548,543
Capital under Construction	-	-	-	-	-	-	-	-
Increases/decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	-	(11,618,883)	(1,273,833)	-	(6,804,094)	-	-	(19,694,811)
- based on cost	-	(11,618,883)	(1,273,833)	-	(6,804,094)	-	-	(19,694,811)
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	-	-	-
Cost/revaluation	-	-	-	-	(49,261)	-	-	(49,261)
Non-Capital (Cost)	-	-	-	-	(7,832,477)	-	-	(7,832,477)
Accumulated depreciation	-	-	-	-	7,881,738	-	-	7,881,738
Impairment losses	-	-	-	-	-	-	-	-
Correction of error	-	-	-	-	-	-	-	-
	-	80,277,701	20,377,341	-	38,562,219	-	-	140,217,261
Carrying values at 30 June 2005	-	80,277,701	20,377,341	-	38,562,219	-	-	140,217,261
Cost	-	293,867,077	59,238,781	-	113,041,691	-	-	466,137,549
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(213,579,376)	(38,861,440)	-	(73,479,472)	-	-	(325,920,288)
- Cost	-	(213,579,376)	(38,861,440)	-	(73,479,472)	-	-	(325,920,288)
- Revaluation	-	-	-	-	-	-	-	-

## APPENDIX A

## BALDANHA BAY MUNICIPALITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2006

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 30/06/05	Received during the period	Redeemed written off during the period	Balance at 30/06/06	Carrying Value of Property, Plant & Equip	Other Costs In accordance with the MFMA
			R	R	R	R	R	R
<b>LONG-TERM LOANS</b>								
C.M.B. Nominees (Pty) Ltd	AA 235-12-14	31/12/2005	-	-	-	-	-	-
ABSA Nominees (Pty) Ltd	AA 235-12-14	31/12/2005	-	-	-	-	-	-
Total long-term loans			-	-	-	-	-	-
<b>ANNUITY LOAN</b>								
Loans to Local Government	AA 3701-12-20		152,677	-	152,677.00	-	-	-
Loans to Local Government	AA 370-12-20	2009	96,681	-	96,680.68	-	-	-
Loans to Local Government	AA 370-12-20	2009	94,098	-	94,095.63	-	-	-
Loans to Local Government	AA 370-12-20	2009	210,567	-	210,567.11	-	-	-
Loans to Local Government	AA 370-12-20	2009	145,981	-	145,980.77	-	-	-
Loans to Local Government	RB 48/10	2010	1,412,075	-	1,412,074.50	-	-	-
Loans to Local Government			3,325,050	-	3,325,060.19	-	-	-
Dept. of Water affairs	AA 3701-12-20		213,124	-	12,916.64	200,207	-	-
Development Bank SA	Project 10879	(Elec)	6,272,845	-	6,272,844.50	-	-	-
Development Bank SA	Project 10710	(Infrastructure)	6,984,789	-	6,984,786.78	-	-	-
Development Bank SA	Project 10877	(Water Infrast.)	1,470,641	-	1,470,640.53	-	-	-
Development Bank SA	Project 10880	(Elec)	2,046,441	-	2,046,440.58	-	-	-
Development Bank SA	Project 10900	(Bridging Fin)	4,511,334	-	4,511,333.80	-	-	-
Development Bank SA	Project 10969	(Chic Canals)	4,365,763	-	4,365,762.85	-	-	-
Development Bank SA	Project 13320	(Streets/Stomw)	3,724,480	-	3,724,479.55	-	-	-
Development Bank SA	Project 13321	(Land/Services)	1,439,741	-	1,439,741.10	-	-	-
Development Bank SA	Project 10878	(Sewerage)	867,860	-	867,860.24	-	-	-
Development Bank SA	Project 13436	(Land/Services)	2,117,373	-	194,625.25	1,922,848	-	-
Development Bank SA	Project 13437	(Roads)	3,622,598	-	333,402.52	3,289,197	-	-
Development Bank SA	Project 13439	(Water Infrast.)	915,824	-	83,812.02	831,812	-	-
Development Bank SA	Project 13440	(Retention Dams)	3,088,235	-	284,820.12	2,803,313	-	-
Development Bank SA	Project 13441	(Sanitation)	5,244,788	-	484,574.39	4,760,182	-	-
Development Bank SA	Lengabaur	(Bungalows)	375,818	-	375,818.29	-	-	-
Development Bank SA	1/R:11929/1	2013	762,419	-	762,419.38	-	-	-
Development Bank SA	1/R:3/R:11931/1	2009	48,171	-	48,170.81	-	-	-
Development Bank SA	1/10:11930/1	2015	22,080	-	22,080.31	-	-	-
Development Bank SA	Project 100394		4,987,528	-	374,459.68	4,483,068	-	-
Development Bank SA	Project 101315/1		5,842,410	-	384,857.45	5,247,552	-	-
Development Bank SA	Project 101783/1		3,500,000	-	128,761.70	3,373,248	-	-
ABSA		30/06/2011	5,050,648	-	5,050,648	-	-	-
Nedbank		5724		5,164,000.00	1,629,808.09	3,534,194	-	-
Nedbank		5726		6,300,000.00	1,129,944.50	5,173,056	-	-
Nedbank		5725		5,000,000.00	724,821.38	4,275,179	-	-
Nedbank		5723		26,875,000.00	1,681,107.88	25,193,892	-	-
Nedbank		5727		21,400,000.00	1,679,339.86	19,720,660	-	-
FNB	7/4	2014	5,336	-	5,336.03	-	-	-
Total annuity loans			72,574,657	64,738,000.00	52,495,278.93	84,818,418	-	-
<b>GOVERNMENT LOANS</b>								
Council - External Loan - Housing			3,159,595	-	3,159,595.03	-	-	-
Total Government Loans			3,159,595	-	3,159,595.03	-	-	-
<b>LEASE LIABILITY</b>								
Total Government Loans			-	-	-	-	-	-
<b>TOTAL EXTERNAL LOANS</b>			75,734,252	64,738,000	55,654,874	84,818,418	-	-

**APPENDIX B**

**SALDANHA BAY MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2006**

	Cost/Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Corrections	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
<b>Land and Buildings</b>										
Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>										
Access Control	82,898.49	41,782.84	-	-	124,440.43	82,898.49	4,173.00	-	86,528.48	37,919.94
Bridges, Subways	878,351.18	288,703.52	-	-	1,146,054.70	223,148.71	24,880.58	-	247,208.29	887,846.41
Bus Terminals	1,824,860.01	-	-	-	1,824,860.01	815,832.87	81,894.77	-	877,527.44	1,147,132.57
Car Parks	2,886,538.97	484,836.83	-	-	3,380,178.80	1,840,783.21	67,841.28	-	2,008,734.49	1,251,441.31
Fencing	3,717,038.90	1,080,882.18	-	-	4,797,720.78	3,134,123.10	460,880.44	-	3,594,783.54	1,212,937.22
Footways	1,148,469.84	-	-	-	1,148,469.84	770,181.82	22,874.10	-	782,836.02	385,623.82
Karbing	8,238,614.85	234,381.88	-	-	8,472,186.71	2,836,873.01	340,418.13	-	2,878,361.14	6,487,775.57
Load Control EQ	128,876.71	-	-	-	128,876.71	128,876.71	-	-	128,876.71	-
Maine	1,348,366.85	-	-	-	1,348,366.85	1,181,486.32	15,803.84	-	1,197,288.88	182,088.98
Maine	58,414.02	-	-	-	58,414.02	58,414.02	-	-	58,414.02	-
Maine	1,147,583.58	148,340.82	-	-	1,295,824.17	789,385.13	28,232.01	-	827,600.14	468,224.03
Paving	478,816.30	28,828.80	-	-	498,544.20	371,776.88	8,480.03	-	380,296.71	118,207.48
Pipelines	45,000.00	3,878,348.83	-	-	4,023,348.83	45,000.00	8,728.78	-	50,728.78	3,972,620.04
Power Stations	10,414,489.41	-	-	-	10,414,489.41	4,123,038.11	302,385.75	-	4,425,431.88	5,988,057.53
Pump Stations	82,808.42	-	-	-	82,808.42	82,808.42	-	-	82,808.42	-
Purification Works	11,537,484.87	861,847.63	1,008,182.53	-	13,597,804.83	8,184,314.80	183,035.30	-	8,359,389.80	5,238,224.80
Alports/Radio	246,200.00	-	-	-	246,200.00	246,200.00	-	-	246,200.00	-
Other Roads	88,822,887.85	1,593,181.59	-	-	89,475,879.24	47,754,313.97	1,838,358.57	-	49,592,673.84	10,783,208.70
Runways	878,131.78	-	-	-	878,131.78	878,131.78	-	-	878,131.78	-
Security System	920,525.97	37,881.88	-	-	958,407.85	811,118.88	32,088.58	-	883,212.25	94,875.80
Sewers	51,828,731.03	2,326.32	48,750.00	-	51,878,807.35	35,351,888.12	885,804.87	-	36,337,502.78	15,841,304.88
Sewerage Pumps	888,548.47	-	-	-	888,548.47	148,854.82	55,888.83	-	204,484.15	705,063.32
Street Lighting	3,585,705.48	1,038,830.81	-	-	4,622,536.27	2,281,710.38	111,887.88	-	2,343,308.08	2,278,228.18
Supply/Retraction	62,628,036.47	458,509.38	2,914,864.78	-	65,990,329.84	64,221,303.34	621,867.31	-	64,842,380.65	11,088,188.88
Supply/Retraction	47,048,784.88	-	-	-	47,048,784.88	32,821,108.43	1,118,888.12	-	33,940,994.55	13,108,800.00
Stormwater Drains	7,207,833.87	1,245,108.78	-	-	8,452,742.45	5,031,788.43	184,882.70	-	5,186,722.13	3,258,020.32
Switchgear Equipment	832,881.57	-	-	-	832,881.57	368,882.88	15,284.87	-	384,167.38	250,884.21
Reservoirs & Ts	13,431,908.72	1,888,513.38	2,563,572.83	-	17,581,894.74	8,513,810.77	338,170.88	-	8,851,981.65	8,708,813.08
Tadways	542,387.17	-	-	-	542,387.17	418,755.13	11,778.47	-	431,831.88	110,886.57
Transformer Kio	379,381.88	113,841.47	-	-	493,193.10	80,888.85	11,881.84	-	72,878.78	420,214.31
Traffic Islands	283,328.07	-	-	-	283,328.07	283,328.07	-	-	283,328.07	-
Traffic Lights	166,222.07	-	-	-	166,222.07	88,785.28	8,882.87	-	78,287.83	78,884.44
Street names	478,888.21	151,880.08	-	-	627,558.30	318,883.03	28,837.84	-	343,542.87	284,015.33
	283,887,078.84	13,388,488.80	8,836,488.85	-	313,780,075.69	212,876,187.82	8,888,488.38	-	223,884,878.80	83,218,488.83
<b>Community Assets</b>										
Beach Development	18,880,885.80	12,488,830.37	-	-	28,578,886.17	10,134,228.84	202,048.71	-	10,336,275.55	18,240,710.82
Cemeteries	2,888,803.88	74,884.33	-	-	2,441,787.88	-	-	-	-	2,441,787.88
Community Centre	8,528,200.84	138,834.97	-	-	8,888,038.81	8,888,048.13	134,880.18	-	8,785,008.28	2,873,028.32
Floodlighting	-	143,021.54	-	-	143,021.54	-	4,887.48	-	4,887.48	138,434.08
Golf Course	488,813.85	-	-	-	488,813.85	388,713.74	18,888.78	-	387,884.52	88,221.13
Heritage Buildings	10,488.03	-	-	-	10,488.03	-	-	-	-	10,488.03
Clinical/Hospital	2,168,823.80	-	-	-	2,168,823.80	1,883,885.17	15,074.02	-	1,898,889.18	238,884.81
Informal Housing	218,887.78	3,720,086.57	115,310.88	-	4,051,374.28	185,788.83	4,838.28	-	179,833.11	3,880,741.18
Libraries	1,880,845.28	-	-	-	1,880,845.28	1,838,038.84	5,888.88	-	1,843,542.30	107,102.88
Municipal Buildings	4,107,888.88	3,388,884.88	-	-	7,504,143.28	3,281,168.70	47,284.84	-	3,328,381.84	4,168,781.82
Municipal Houses	7,280,731.88	240,448.88	-	-	7,521,178.07	3,404,424.21	207,188.78	-	3,611,620.97	3,888,554.10
Outdoor Sports	8,882,274.88	404,870.88	-	-	9,288,945.87	5,288,118.31	118,848.88	-	5,388,787.30	1,878,178.27
Parks	1,888,888.88	187,884.04	-	-	2,187,489.57	788,818.08	55,481.03	-	816,388.11	1,372,088.48
Public Convenis	2,821,178.75	241,815.00	-	-	3,162,893.75	2,343,587.83	28,888.28	-	2,371,884.18	781,338.88
Recreation Centre	-	481,783.22	-	-	481,783.22	-	-	-	-	481,783.22
Swimming Pools	2,281,254.27	82,800.00	-	-	2,383,784.27	2,088,389.48	11,888.84	-	2,110,888.33	282,785.84
Tennis Courts	888,788.24	-	-	-	888,788.24	584,488.88	32,288.43	-	628,888.31	388,888.83
	88,238,788.87	21,888,287.78	118,318.83	-	89,483,478.23	38,881,438.88	874,888.82	-	39,735,838.27	41,217,842.82
<b>Heritage Assets</b>										
Historical Buildings	-	-	-	-	-	-	-	-	-	-
Painting & Art Galleries	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Total carried forward</b>	383,085,857.41	34,888,888.59	8,881,810.88	-	394,733,554.88	282,437,887.47	7,882,884.70	-	288,380,112.17	134,433,442.71



**APPENDIX 5**  
**SALDANHA BAY MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2008**

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Corrections	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Total brought forward	353,026,867.41	34,865,886.59	8,851,810.88	-	394,733,554.88	252,437,807.47	7,982,604.70	-	260,300,112.17	134,433,442.71
Housing Rental Stock	-	-	-	-	-	-	-	-	-	-
Housing Rental 1	-	-	-	-	-	-	-	-	-	-
Housing Rental 2	-	-	-	-	-	-	-	-	-	-
Leased Assets (Infrastructure)	-	-	-	-	-	-	-	-	-	-
Sewerage Main & Pully	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Abattoirs	230,000.00	-	-	-	230,000.00	230,000.00	-	-	230,000.00	-
Air Conditioner	230,641.47	19,304.55	-	-	249,946.02	186,695.81	28,517.95	-16,530.15	211,843.71	38,302.31
Audio Equipment	41,975.09	-	-	-	41,975.09	41,975.09	-	-	41,975.09	-
Bulk Containers	2,890,788.50	78,542.26	-	-	2,969,330.76	1,407,360.44	183,863.58	-	1,800,814.03	1,368,386.73
Cabinets/Cupboard	184,340.47	14,891.71	-	-	199,232.18	150,135.98	7,829.88	-	157,965.81	41,266.27
Caravan Parks	10,852,598.88	-	-	-	10,852,598.88	9,551,562.42	41,778.01	-	9,593,337.45	1,089,258.43
Chairs	208,890.12	26,394.29	-	-	235,044.41	147,486.47	11,804.88	-	158,391.46	76,652.95
Computer Hardware	8,338,387.84	554,888.54	-	-	8,891,056.38	5,158,885.10	428,831.48	-14,280.63	5,589,587.19	1,281,469.19
Computer Software	1,812,017.88	281,975.57	-	-	2,103,993.45	1,378,753.27	251,178.28	-	1,630,832.58	477,000.82
Equipment/Appl	342,788.91	84,789.37	-	-	427,578.28	308,588.85	22,701.43	-	331,289.31	106,308.97
Electrical Equipment	328,880.89	4,268,689.01	-	-	4,598,449.90	321,967.84	238,203.88	-	560,171.72	4,038,278.18
Milling Equipment	-	4,311.24	-	-	4,311.24	-	207.89	-	207.89	4,103.35
Radio Equipment	2,089,955.73	171,078.88	-	-	2,261,032.71	1,501,860.62	158,482.65	-	1,660,343.17	300,689.54
Telecommunication	129,393.25	848.37	-	-	130,241.62	116,387.75	13,086.51	-	129,394.26	847.33
Pumps	418,538.00	-	-	-	418,538.00	418,538.00	-	-	418,538.00	-
Pire	83,315.84	-	-	-	83,315.84	89,884.89	344.43	-	90,229.32	3,076.52
Generator	238,326.22	21,438.99	-	-	267,765.21	202,977.95	18,739.74	-	219,717.88	38,048.32
Generat	1,888,825.50	3,307,844.13	1,084,947.09	-	8,291,718.72	1,398,136.59	173,784.21	-	1,569,890.80	4,721,818.92
Household Refuse	-	728,840.01	-	-	728,840.01	-	122,773.88	-	122,773.88	607,066.13
Housing Schemes	3,178,528.24	270,238.89	88,327.38	-	3,448,083.28	1,272,817.80	64,528.63	-	1,337,146.43	2,208,946.85
Irrigation System	1,460,720.12	17,819.40	-	-	1,478,239.52	884,939.68	45,848.67	-	1,030,898.46	447,438.08
Markets	1,434,382.83	-	-	-	1,434,382.83	1,357,737.84	3,833.33	-	1,361,571.27	72,791.36
Miscellaneous	1,162,194.36	211,727.08	-	-	1,373,921.44	710,202.75	62,835.98	-	802,958.71	571,002.73
Mixer - Concrete	88,598.24	-	-	-	88,598.24	85,214.72	2,189.78	-	87,411.50	2,184.74
Office Buildings	17,062,312.21	92,101.42	-	-	17,154,413.63	8,897,810.79	343,879.13	-	10,041,285.82	7,113,127.71
Office Machines	378,580.37	-	-	-	378,580.37	309,004.38	35,253.28	-	345,367.84	31,222.73
Other Land	400,409.24	-	-	-	400,409.24	-	-	-	-	400,409.24
Tables/Chairs	108,782.11	-	-	-	108,782.11	82,710.12	8,291.38	-	71,001.51	38,780.60
Tipper	-	503,837.40	-	-	503,837.40	-	18,488.86	-	18,488.86	485,348.52
Tip Stae	328,974.73	-	-	-	328,974.73	318,101.92	513.91	-	318,615.83	13,358.90
Tools	138,817.27	28,318.52	2,681.53	-	167,796.32	95,088.67	19,340.83	-	114,439.80	53,356.52
Town Planning	4,282,103.61	339,738.78	-	-	4,621,842.27	3,819,820.86	225,440.85	-	3,846,281.50	783,560.77
Trainers	858,283.79	35,262.77	-	4,147.09	897,418.47	803,019.81	71,527.70	4,147.08	879,400.22	220,018.26
Training Centre	73,884.84	-	-	-	73,884.84	6.75	2,482.15	-	2,488.90	71,396.74
Vacant Land	10,816,641.96	428,148.18	-	-	10,845,891.18	-	-	-	-	10,845,891.18
Valuation Roll	55,838.18	-	-	-	55,838.18	55,838.18	-	-	55,838.18	-
Motor Vehicles	2,568,083.53	-	-	57,488.90	2,498,594.63	2,217,877.00	144,888.37	57,488.90	2,304,834.47	193,680.16
Buses	-	274,880.35	-	-	274,880.35	-	7,483.80	-	7,483.80	267,486.55
Compressors	45,182.33	-	-	-	45,182.33	45,182.33	-	-	45,182.33	-
Motor Cycles	7,712.12	-	-	-	7,712.12	7,712.12	-	-	7,712.12	-
Fire Engine	1,121,410.45	-	-	-	1,121,410.45	663,556.02	34,150.43	-	887,735.48	443,675.00
Farm Equipment	588.50	-	-	-	588.50	588.50	-	-	588.50	-
Graders	4,195,284.77	-	-	-	4,195,284.77	2,188,287.88	337,890.83	-	2,504,258.89	1,691,025.88
Lawnmowers	495,217.74	588,888.78	-	-	1,084,106.52	427,870.07	124,686.89	-	552,257.08	532,850.44
Road Maintenance	887,523.44	282,328.88	-	80,489.88	1,169,342.20	570,141.11	20,879.21	80,489.88	600,819.33	328,832.81
Tractor/Trucks	28,158,454.08	3,375,903.81	-	500,985.32	29,034,362.57	18,418,378.00	2,817,772.28	318,413.28	20,717,795.18	8,316,567.27
Tractors	1,473,147.77	9,122.81	-	-	1,482,270.58	1,337,586.85	41,385.86	-	1,378,972.71	103,307.77
Workshops/Depots	8,892,887.28	-	-	-	8,892,887.28	5,814,117.27	81,071.88	-	5,705,189.25	3,187,708.01
	113,041,891.88	18,911,233.83	1,184,938.00	883,141.80	123,986,719.72	73,482,848.81	8,080,887.23	439,788.48	79,183,778.85	38,443,940.84
Total	446,137,848.00	60,987,120.22	7,438,748.88	883,141.80	524,330,874.80	336,828,288.33	13,823,371.93	439,788.48	328,488,891.85	184,916,382.78

**APPENDIX C**  
**SALDANHA BAY MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT**  
**30 June 2008**

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive & Council	842,277	321,788	-	-	984,044	511,793	52,065	-	563,858	400,187
Finance & Admin	65,481,747	3,294,682	-	41,197	68,797,626	39,835,081	1,092,323	57,727	40,785,111	28,012,514
Planning & Development	3,882,827	455,836	-	-	4,138,664	2,767,456	295,807	-	3,063,263	1,075,401
Health	967,774	6,310	-	-	984,085	884,678	23,242	-	907,818	56,267
Community & Social Services	5,038,955	611,944	-	-	5,650,899	2,158,020	252,352	-	2,408,372	3,242,526
Housing	3,754,978	4,401,008	-	(23,979)	8,132,008	1,574,981	113,788	(23,979)	1,764,791	6,367,217
Public Safety	1,710,904	9,592	-	-	1,720,496	987,778	83,802	-	1,071,378	649,117
Sport & Recreation	35,744,984	3,894,050	-	(128,956)	39,510,078	26,853,135	1,164,748	(128,956)	27,888,926	11,621,153
Environmental Protection	500,169	-	-	-	500,169	345,841	-	153,328	500,169	-
Waste Management	81,486,048	10,938,113	-	(61,407)	92,342,754	56,244,156	2,627,766	(61,407)	58,810,515	33,532,239
Road Transport	99,223,478	8,089,980	-	(124,020)	107,169,447	69,961,747	4,065,223	(124,020)	73,922,949	33,246,496
Water	85,408,010	9,194,043	-	(258,381)	74,343,672	44,922,746	1,791,962	(214,868)	48,499,842	27,843,830
Electricity	81,058,885	4,801,182	-	(97,597)	85,762,470	64,589,764	1,581,056	(97,597)	66,053,223	19,709,247
Other	21,488,514	12,837,350	-	-	34,323,864	14,404,238	759,439	-	15,163,677	19,160,187
<b>TOTAL</b>	<b>466,137,549</b>	<b>58,835,867</b>	<b>-</b>	<b>(653,141)</b>	<b>524,320,275</b>	<b>326,920,288</b>	<b>13,923,372</b>	<b>(439,768)</b>	<b>339,403,892</b>	<b>184,916,383</b>

## APPENDIX D

**SALDANHA BAY MUNICIPALITY: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED  
30 June 2008**

2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)		2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)
R	R	R		R	R	R
29,265,854	19,028,804	10,237,050	Executive & Council	12,749,371	17,617,247	(4,867,876)
62,834,788	26,401,994	36,432,794	Finance & Admin	75,426,423	27,117,144	48,309,279
2,032,114	3,019,919	(987,805)	Planning & Development	1,072,774	3,720,620	(2,647,846)
2,421,217	4,501,981	(2,080,764)	Health	3,824,235	3,775,948	48,287
277,737	4,823,292	(4,545,555)	Community & Social Services	466,158	6,862,501	(6,206,343)
3,662,708	2,084,339	1,618,368	Housing	8,908,169	1,266,391	7,641,779
59,712	960,070	(900,358)	Public Safety	28,010	1,147,572	(1,119,562)
5,424,989	12,442,659	(7,017,690)	Sport & Recreation	18,894,706	13,424,398	5,470,308
2,343,446	2,288,138	55,307	Environmental Protection	134,195	10,821	123,574
31,200,665	22,911,716	8,288,949	Waste Management	36,618,282	24,683,693	11,934,688
5,966,440	20,047,814	(14,081,374)	Road Transport	10,510,023	21,981,004	(11,470,981)
51,985,852	30,256,002	21,729,850	Water	64,699,124	37,030,917	27,668,208
62,466,291	49,288,753	13,197,538	Electricity	67,630,906	59,126,287	8,504,619
8,324,957	16,021,286	(7,696,328)	Other	2,853,043	12,281,743	(9,428,700)
<b>268,306,849</b>	<b>214,056,768</b>	<b>54,250,081</b>	<b>Sub Total</b>	<b>303,705,419</b>	<b>229,846,086</b>	<b>73,859,333</b>
-	(9,413,246)	9,413,246	Less Inter-Dep Charges	-	(10,772,611)	10,772,611
<b>268,306,849</b>	<b>204,643,522</b>	<b>63,663,327</b>	<b>Total</b>	<b>303,705,419</b>	<b>219,073,475</b>	<b>84,631,944</b>
		-	Add: Share of Associate			-
		<b>63,663,327</b>				<b>84,631,944</b>

**APPENDIX E(1)**

**SALDANHA BAY MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2006**

<b>REVENUE</b>	<b>2006 Actual (R)</b>	<b>2006 Budget (R)</b>	<b>2006 Variance (R)</b>	<b>2006 Variance (%)</b>	<b>Explanation of Significant Variances greater than 10% versus Budget</b>
Property rates	58,544,816	55,634,107	2,910,709	5.23%	Budget not final GRAP format.
Property rates - penalties imposed and collection charges	1,375,360	1,308,000	67,360	5.15%	Budget not final GRAP format.
Service charges	157,373,581	155,290,752	2,082,829	1.34%	Budget not final GRAP format.
Regional Services Levies - turnover	-	-	-	0.00%	Budget not final GRAP format.
Regional Services Levies - remuneration	-	-	-	0.00%	Budget not final GRAP format.
Rental of facilities and equipment	6,752,572	6,164,595	587,977	9.54%	Budget not final GRAP format.
Interest earned - external investments	12,154,919	-	12,154,919	0.00%	Budget not final GRAP format.
Interest earned - outstanding debtors	1,882,408	1,065,899	816,509	76.60%	Budget not final GRAP format.
Dividends received	-	-	-	0.00%	Budget not final GRAP format.
Fines	2,803,540	3,141,160	(337,620)	-10.75%	Budget not final GRAP format.
Licences and permits	1,095,598	1,028,000	67,598	6.58%	Budget not final GRAP format.
Income for agency services	132,268	-	132,268	0.00%	Budget not final GRAP format.
Government grants and subsidies	18,047,430	9,928,402	8,119,028	81.76%	Budget not final GRAP format.
Other income	43,542,927	21,967,013	21,575,914	98.22%	Budget not final GRAP format.
Public contributions, donated/contributed PPE	-	-	-	0.00%	Budget not final GRAP format.
Gains on disposal of property, plant and equipment	-	-	-	0.00%	Budget not final GRAP format.
<b>Total Revenue</b>	<b>303,705,419</b>	<b>255,527,928</b>	<b>48,177,491</b>	<b>18.85%</b>	<b>Budget not final GRAP format.</b>
<b>EXPENDITURE</b>					
Executive & Council	17,617,247	19,520,491	(1,903,244)	-9.75%	Budget not final GRAP format.
Finance & Admin	27,117,144	29,426,715	(2,309,571)	-7.85%	Budget not final GRAP format.
Planning & Development	3,720,620	3,704,894	15,726	0.42%	Budget not final GRAP format.
Health	3,775,948	4,965,091	(1,189,143)	-23.95%	Budget not final GRAP format.
Community & Social Services	6,682,501	7,542,327	(879,826)	-11.67%	Budget not final GRAP format.
Housing	1,266,391	1,191,309	75,082	6.30%	Budget not final GRAP format.
Public Safety	1,147,572	1,348,149	(200,577)	-14.88%	Budget not final GRAP format.
Sport & Recreation	13,424,398	13,169,061	255,337	1.94%	Budget not final GRAP format.
Environmental Protection	10,621	51,191	(40,570)	-79.25%	Budget not final GRAP format.
Waste Management	24,683,693	28,400,010	(3,716,317)	-13.09%	Budget not final GRAP format.
Road Transport	21,981,004	23,065,036	(1,084,032)	-4.70%	Budget not final GRAP format.
Water	37,030,917	38,324,262	(1,293,345)	-3.37%	Budget not final GRAP format.
Electricity	59,126,287	59,292,904	(166,617)	-0.28%	Budget not final GRAP format.
Other	12,281,743	7,609,788	4,671,955	61.39%	Budget not final GRAP format.
Inter-departmental charges	(10,772,611)	(10,772,738)	127	0.00%	Budget not final GRAP format.
<b>Total Expenditure</b>	<b>219,073,475</b>	<b>226,838,490</b>	<b>(7,765,015)</b>	<b>-3.42%</b>	<b>Budget not final GRAP format.</b>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>84,631,944</b>	<b>28,689,438</b>	<b>55,942,506</b>	<b>194.99%</b>	<b>Budget not final GRAP format.</b>

## APPENDIX E(1)

## SALDANHA BAY MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2005

REVENUE	2005 Actual (R)	2005 Budget (R)	2005 Variance (R)	2005 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Property rates	50,630,568	-	50,630,568	0.00%	(Explanations to be recorded)
Property rates - penalties imposed and collection charges	1,230,754	-	1,230,754	0.00%	
Service charges	141,920,101	-	141,920,101	0.00%	
Regional Services Levies - turnover	-	-	-	0.00%	
Regional Services Levies - remuneration	-	-	-	0.00%	
Rental of facilities and equipment	6,515,677	-	6,515,677	0.00%	
Interest earned - external investments	8,272,587	-	8,272,587	0.00%	
Interest earned - outstanding debtors	2,951,555	-	2,951,555	0.00%	
Dividends received	-	-	-	0.00%	
Fines	2,282,993	-	2,282,993	0.00%	
Licences and permits	1,126,672	-	1,126,672	0.00%	
Income for agency services	2,339,978	-	2,339,978	0.00%	
Government grants and subsidies	28,556,034	-	28,556,034	0.00%	
Other income	20,959,329	-	20,959,329	0.00%	
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	1,520,600	-	1,520,600	0.00%	
<b>Total Revenue</b>	<b>268,306,849</b>	<b>-</b>	<b>268,306,849</b>	<b>0.00%</b>	
<b>EXPENDITURE</b>					
Executive & Council	19,028,804	-	19,028,804	0.00%	
Finance & Admin	26,401,994	-	26,401,994	0.00%	
Planning & Development	3,019,919	-	3,019,919	0.00%	
Health	4,501,981	-	4,501,981	0.00%	
Community & Social Services	4,823,292	-	4,823,292	0.00%	
Housing	2,064,339	-	2,064,339	0.00%	
Public Safety	960,070	-	960,070	0.00%	
Sport & Recreation	12,442,659	-	12,442,659	0.00%	
Environmental Protection	2,288,138	-	2,288,138	0.00%	
Waste Management	22,911,716	-	22,911,716	0.00%	
Road Transport	20,047,814	-	20,047,814	0.00%	
Water	30,256,002	-	30,256,002	0.00%	
Electricity	49,288,753	-	49,288,753	0.00%	
Other	16,021,285	-	16,021,285	0.00%	
Inter-departmental charges	(9,413,246)	-	(9,413,246)	0.00%	
<b>Total Expenditure</b>	<b>204,643,522</b>	<b>-</b>	<b>204,643,522</b>	<b>0.00%</b>	
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>63,663,327</b>	<b>-</b>	<b>63,663,327</b>	<b>0.00%</b>	

**APPENDIX E(2)**

**SALDANHA BAY MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2008**

	<u>2006</u> <u>Actual</u>	<u>2006</u> <u>Under</u> <u>Construction</u>	<u>2006</u> <u>Total</u> <u>Additions</u>	<u>2006</u> <u>Budget</u>	<u>2006</u> <u>Variance</u>	<u>2006</u> <u>Variance</u>	<u>Explanation of Significant Variances</u> <u>greater than 6% versus Budget</u>
	R	R	R	R	R	%	(Explanations to be recorded)
Executive & Council	321,768	-	321,768	375,034	(53,266)	-14.20%	Budget not final GRAP format.
Finance & Admin	3,294,682	-	3,294,682	3,232,514	62,168	1.92%	Budget not final GRAP format.
Planning & Development	455,836	-	455,836	1,038,300	(582,464)	-56.10%	Budget not final GRAP format.
Health	6,310	-	6,310	-	6,310	0.00%	Budget not final GRAP format.
Community & Social Services	611,944	-	611,944	653,198	(41,254)	-6.32%	Budget not final GRAP format.
Housing	4,401,008	-	4,401,008	5,307,589	(906,581)	-17.08%	Budget not final GRAP format.
Public Safety	9,592	-	9,592	9,693	(101)	-1.04%	Budget not final GRAP format.
Sport & Recreation	3,894,050	-	3,894,050	17,863,027	(13,768,977)	-77.95%	Budget not final GRAP format.
Environmental Protection	-	-	-	-	-	0.00%	Budget not final GRAP format.
Waste Management	10,938,113	-	10,938,113	12,089,825	(1,151,512)	-9.52%	Budget not final GRAP format.
Road Transport	8,069,990	-	8,069,990	9,578,556	(1,508,567)	-15.75%	Budget not final GRAP format.
Water	9,194,043	-	9,194,043	9,718,911	(524,868)	-5.40%	Budget not final GRAP format.
Electricity	4,801,182	-	4,801,182	5,017,266	(216,084)	-4.31%	Budget not final GRAP format.
Other	12,837,350	-	12,837,350	726,080	12,111,270	1668.04%	Budget not final GRAP format.
<b>Total</b>	<b>58,835,887</b>	<b>-</b>	<b>58,835,887</b>	<b>65,408,793</b>	<b>(6,573,925)</b>	<b>-10%</b>	<b>Budget not final GRAP format.</b>

# APPENDIX F

## DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

### Grant and Subsidies Received

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts					Quarterly Expenditure					Grants and Subsidies delayed / withheld					Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		March	June	Sept	Dec	March	March	June	Sept	Dec	March	March	June	Sept	Dec	March		Yes / No	
MIG				134000	1540350.87	1108191.59					-2789895.74					Unknown	Unknown	Yes	N/A
CMIP						415000					-415000					None	None	Yes	N/A
SOF						2053125.32					-3707927.01					Unknown	Unknown	Yes	N/A
Environmental Health						11172483.58					-12486830.37					-1314448.8	Not yet claimed	Yes	N/A
Man Dev Prog						27189					-28545					Unknown	Unknown	Yes	N/A
FMG						0					-740997.37					Unknown	Unknown	Yes	N/A
Dept Min & En						300000					0					Unknown	Unknown	Yes	N/A
Dept Health						3817688.84					-3817688.84					None	None	Yes	N/A
Equitable Share						9184884					-5353530.97					Unknown	Unknown	Yes	N/A
		0	0	134000	1540350.87	28078582.31	0	0	0	0	-29338315.3	0	0	0	0				

**APPENDIX G**  
**SALDANHA BAY MUNICIPALITY: LEASES AS AT YEAR ENDED**  
**30 June 2006**

<u>Description</u>	<u>Reference</u>	<u>Period</u> <u>in</u> <u>months</u>	<u>Rent</u> <u>excl. VAT</u> <u>R</u>	<u>Rent date</u>	<u>Expiring date</u>	<u>Remaining</u> <u>terms</u> <u>Months</u>	<u>Liability</u> <u>outstanding</u> <u>&lt;1 year</u>	<u>Liability</u> <u>outstanding</u> <u>&gt;1 year</u>
XEROX 420	3500686349	60	1,015	04.08.2004	04.08.2009	37	14,620	17,432
XEROX 428	3511648806	60	1,106	13.08.2004	13.08.2009	37	15,934	18,999
XEROX DC 490 ST	2231738030	60	13,969	13.12.2004	13.12.2009	41	195,141	573,486
XEROX DC 265	2230580106	60	9,319	01.05.2003	01.05.2008	22	151,321	136,437
XEROX 5828	2130093623	60	2,805	01.05.2003	01.05.2008	22	42,305	38,144
XEROX DC 535	2231635761	60	3,133	01.05.2003	01.05.2008	22	50,877	45,873
XEROX 5815	3503087560	60	686	01.05.2003	01.05.2008	22	11,135	10,040
XEROX 5815	3500217439	60	718	01.05.2003	01.05.2008	22	11,656	10,509
XEROX 5815	3500119330	60	968	01.05.2003	01.05.2008	22	15,715	14,169
XEROX 5828	2130770811	60	1,205	01.05.2003	01.05.2008	22	19,565	17,641
XEROX 5815	3500217455	60	641	01.05.2003	01.05.2008	22	10,407	9,383
XEROX M15I	3541814441	60	483	19.01.2005	19.01.2010	42	8,699	19,721
NASHUA AF 1013	H9039004882	60	560	01.09.2003	01.09.2008	26	8,808	11,329
NASHUA AF 1013	H9039004884	60	525	01.09.2003	01.09.2008	26	8,258	10,621
NASHUA AF 1013	H9039005197	60	525	01.09.2003	01.09.2008	26	8,258	10,621
NASHUA FT 4615	H2106803310	60	497	01.03.2001	01.03.2006	0	0	0
NASHUA FT 4615	H2106805789	60	497	01.03.2001	01.03.2006	0	0	0
Leica GX1230 Geodetic RTK GPS:	Asset no.00925/4	48	6,711	01.02.2006	01.02.2009	43	80,526	127,500
			<b>R 45,161</b>				<b>R 651,225</b>	<b>R 1,071,905</b>



**APPENDIX H**  
**SALDAMBA BAY MUNICIPALITY: STATISTICAL INFORMATION AS AT YEAR ENDED**  
**30 June 2008**

	2004 / 2008	2004 / 2005	2003 / 2004	2002 / 2003
<b>General Statistics</b>				
Population	90,972.38	86,823	86,900	85,825
Number of registered voters	38,131.00	38,289	36,463	30,334
Area (km²)	1,787.00	1,787	1,788	1,903
<b>Total Valuations</b>				
- Taxable (R million)	4,322	3,986	3,830	3,688
- None Taxable (R million)	136	136	136	82
- Residential (R million)	2,660.00	2,384	2,168	2,168
- General Residential (R million)	98.00	88	33	33
- Business (R million)	279.00	295	268	288
- Industrial (R million)	332.00	364	306	308
- Transient/Spoomel/Portnet (R million)	5.00	48	46	46
- Public Works (R million)	389.00	364	384	384
- Telkom (R million)	4.00	4	4	4
- Provincial Administration (R million)	43.00	43	42	42
- Small Holdings (R million)	78.00	87	61	61
- Agriculture (R million)	178.00	168	185	185
- Other (R million)	285.00	185	385	153
<b>Valuation Data</b>				
		01/01/2001	01/01/2001	01/01/2001
Last general valuation came into effect on 1 July 2002.				
<b>Number of sites</b>				
Number of sites valued	30,082	28,482	27,157	24,831
- Residential	26,288	24,028	23,978	21,733
- Public Works	263	278	278	201
- Telkom	6	4	4	5
- Provincial Administration	26	29	29	38
- Small Holdings	503	483	480	406
- Agriculture < 50 Ha		281	317	318
- Agriculture > 50 Ha	785	348	308	310
- Other	3,222	3,033	1,784	1,825
<b>Assessment Rates</b>				
<b>Previously WCPTC area</b>				
General : Land	4.2308 s/R	3.9729 s/R	3.7858 s/R	3.4044 s/R
: Buildings	1.4102 s/R	1.3243 s/R	1.2552 s/R	1.1348 s/R
Other : Tariffs lower than general with the following % :				
- : single residential	80%	50%	50%	50%
- : small holdings	50%	50%	50%	50%
- : Agriculture < 50 Ha	97.40%	50%	50%	50%
- : Agriculture > 50 Ha	97.40%	97.4%	97.4%	97.4%
- : Nature Reserve	75%	75%	75%	75%
<b>Previously Langabasa area</b>				
General : Land	4.2308 s/R	3.3237 s/R	2.6358 s/R	2.0427 s/R
: Buildings	1.4102 s/R	1.1079 s/R	0.8788 s/R	0.6809 s/R
<b>Previously Hopetfield area</b>				
General : Land	4.2308 s/R	3.9729 s/R	3.7858 s/R	3.4044 s/R
: Buildings	1.4102 s/R	1.3243 s/R	1.2552 s/R	1.1348 s/R
<b>Pensioners : Tariff lower than single residential with the following %</b>				
not exceeding income of R18 720 p.a.	40%	40%	40%	40%
not exceeding income of R20 600 p.a.	30%	30%	30%	30%
not exceeding income of R22 700 p.a.	20%	20%	20%	20%
Number of employees in service:	788	778	777	747
<b>Cleansing statistics</b>				
Km completed (average vehicles excluded from 2004/5)	501,884	489,210	592,728	578,259
Refuse removed (m³)	136,812	131,061	113,445	109,220
Cost per m³ removed	83.41	114.28	108.86	87.10
Income per m³ removed	123.86	111.40	120.37	88.58
Number of removals per month	24,147	23,218	22,482	21,198
<b>Sewerage Statistics</b>				
Sewerage water purification (Ml)	2,900	3,052	2,710	2,237
Cost per Ml purified	2.80	3.85	3.17	3.49
Income per Ml purified	5.09	4.33	4.05	4.88
<b>Electricity Statistics</b>				
Units (kWh) purchased ('000)	207,648	202,168	194,975	185,188
Purchase cost : cent per kWh	20.28	17.17	17.51	14.90
Units (kWh) sold ('000)	187,288	183,780	173,618	164,080
Units (kWh) lost with distribution ('000)	20,359	18,388	21,357	21,078
Percentage loss on distribution	9.80	9.10	10.85	11.38
Cost per unit sold	0.30	0.29	0.27	0.24
Income per unit sold	0.36	0.34	0.34	0.31
Number of consumers	18,531	18,222	17,349	17,023
<b>Water statistics</b>				
Kl purchased ('000)	11,554	10,883	11,684	11,692
Purchase cost per Kl	R 2.238	R 1.851	R 1.780	R 1.805
Kl sold ('000)	10,975	10,084	10,420	9,761
Kl lost on distribution ('000)	578	799	1,264	1,931
Percentage loss on distribution	5	7.25	10.82	18.52
Cost per Kl sold	3.21	3.80	3.49	3.44
Income per Kl sold	5.41	5.37	4.73	3.94
Number of consumers	21,179	20,634	20,260	18,383